


The Road Ahead for Deathcare

Embracing Innovation, Technology, Diversity, and the Nontraditional by Andrew Clark





AS WE BEGIN 2024, it's hard to ignore the long, strange journey we've all been on since January 20, 2020. The day the first American was diagnosed with COVID-19 marked the beginning of a new era—one filled with more uncertainties and challenges than most of us could have imagined.

Yet turmoil gave rise to adaptation and opened our eyes to new and different ways to serve families. As funeral service professionals who once exclusively relied on face-to-face interaction, we quickly pivoted to virtual methods of serving families. From online arrangements to graveside streaming, we harnessed technology and our own creativity to do whatever it took to bridge the gaps created by the worldwide pandemic.

We continue to look ahead. As we stand on the starting line of 2024, we asked four Foundation Partners Group experts to share their thoughts on what to expect in the coming year.

Digital Is Here to Stay

Lee Senderov, Chief Digital and Marketing Officer

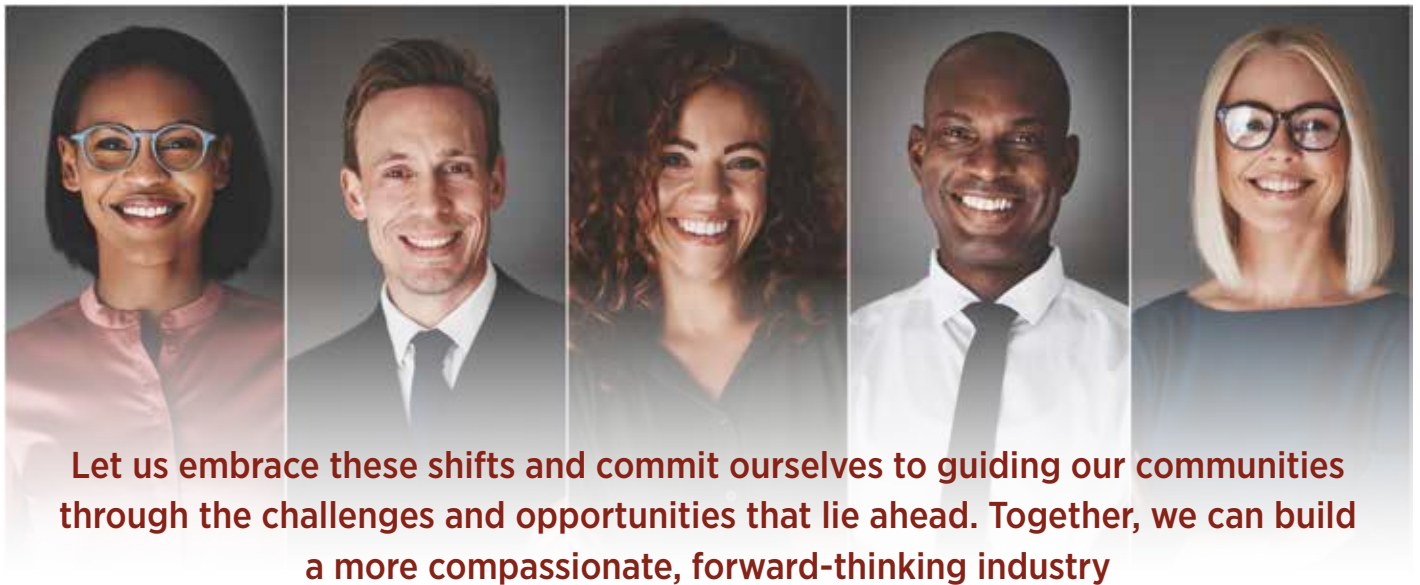
The past three years have seen a quiet transformation in the way consumers talk about death and deathcare services, particularly online. Attractive websites, e-commerce options, and some degree of price transparency are no longer optional for funeral business owners—consumers expect them. Our own experience and the results of national surveys bear this out. Here are some key findings:

- Over half of consumers surveyed visited a funeral home website when planning a funeral or memorial service.
- Nearly one in five respondents would prefer to make funeral arrangements online vs. speaking directly to a funeral director.
- One-third of respondents have participated in a funeral or memorial service via a streaming service.

- When selecting a funeral home, over one-third of respondents said an online review either solidified their decision and/or steered them toward a particular funeral home.

The good news for funeral business owners is that consumers do not yet want to transition to a digital-only platform. While nearly half of the consumers surveyed were satisfied with the online experience, they said they still needed the assistance of a funeral director when death occurred. When making prearrangements, eight of 10 respondents would prefer to make those arrangements by speaking directly to a funeral director.

It's clear that each small step funeral business owners take to embrace technology and adapt to changing needs can significantly impact their business success. By staying proactive and exploring new avenues for growth and connection, you can navigate the industry's challenges while providing exceptional service to families.



Here are suggestions to consider for 2024:

- **Embrace technology:** Explore options like live streaming and online arrangements to reach a wider audience. By offering virtual experiences and consultations, you can provide convenience and accessibility to consumers who expect digital service. Our company implemented online at-need and pre-need arrangements as early as 2019 across all our brands. When the pandemic hit in 2020, we saw a surge in families planning online—an increase in volume that has not subsided, and one that we expect to continue in 2024.
- **Personalize the online experience:** Personalization is a megatrend that shows no sign of stopping. Consumers seek experiences that are open and adaptable to their unique wants and needs. Use technology to create a personalized and meaningful online experience for consumers. Utilizing programs that provide customized options and interactive tools can help you meet families when, where, and how they want to interact.
- **Stay connected:** As studies show, social media is a powerful tool for connecting with families and sharing updates about your business. More than 86% of survey respondents use Facebook and 21% of those used the services of a funeral home they found on Facebook. Regularly post informative and compassionate content about grief support, tips for planning ahead, and stories highlighting the unique aspects of your business.
- **Adapt to changing customer expectations:** As the industry evolves, it's crucial to be flexible and responsive to changing customer expectations. Leverage the resources provided by professional associations like ICCFA and solicit client feedback to understand the unique needs and preferences of the families you serve. Use this information to adjust your services, pricing, and overall approach to meet and exceed their expectations.

Selling Your Business

Alex Daubert, VP, Corporate Development, Mergers & Acquisitions

After a year of uncertainty, we expect 2024 to bring a sense of clarity and stability to the U.S. financial markets. If you've been considering a transition plan for your business, this year may be the right time to make your move.

Running a small business is a challenging task. The last few years have been particularly difficult, with the impact of COVID-19, staffing shortages, increased labor costs, and rising inflation taking a toll on the deathcare industry. However, there are signs of hope and opportunity as we look toward the future. Inflation is subsiding and the stock market is rebounding. As Lee Senderov points out, the evolution of technology and shifting customer expectations will continue to be driving forces in deathcare.

To stay competitive in today's business environment, consider streamlining your back-office operations and investing in new technologies. Challenge your suppliers and business partners to think outside the box and work together to develop solutions that will benefit families and your team. These steps will help your business survive and thrive regardless of economic conditions.

While the decision to sell is never easy, 2024 may offer a favorable environment for such a move. With a more stable outlook and the potential for growth through technological advancements, it's worth considering how a transition plan can benefit your business and your team members in the long run. Whether you explore a partnership or pursue other avenues, now is the time to empower yourself to make informed decisions and embrace new opportunities.

The Future of Cemeteries

Cole Waybright, VP, Sales Operations

Industry research reveals that nearly one in four U.S. households have human cremated remains in their homes. That's 21.9 million families with parents, grandparents, and extended family members who have not been memorialized in any permanent way.

A significant lesson from 2023 is that cemeteries that evolve to meet the needs of cremation families will reap rewards. With the U.S. cremation rate expected to increase from 60.5% in 2023 to 81.4% by 2045, there's no time like the present to begin training your teams and educating families on the value of permanent memorialization.

Our team spoke at several key industry events last year and shared how one of our properties increased cremation memorialization sales by 350% using expanded options, thoughtful design, and focused sales strategies. With more than 260 properties across the country, cremation makes up over 88% of our company's business, and cremation-focused projects currently are planned or

underway in every one of our 22 cemeteries across eight states.

In 2024, we expect to see growing demand for custom estates designed to accommodate both traditional burial and cremation options. Families want to be together even if individual family members have different preferences. These mixed disposition estates provide a solution that honors individual choices while fostering a sense of unity.

Increasing permanent memorialization sales to cremation families is within reach of every independent funeral home and cemetery manager. We predict that investment in cemeteries will increase this year as more cemeteries embrace the shift in consumer preferences. Cemeteries that expand their options and educate the community about choices will set themselves apart from those that simply react to change.

Taking advantage of cremation opportunities can be challenging for stand-alone cemeteries or combination properties. Because of this, we predict 2024 will see an increase in the number of cemetery owners who seek partnerships with more prominent partners to help relieve the burden of investment and developing infrastructure.

Preserving Celebration Ken Pearce, Director of Funeral Director Support

The shift toward cremation comes as Americans are becoming more secular and less focused on religion. The Pew Research Center looked at how the pandemic affected attendance at U.S. religious services and found that the share of U.S. adults who say they generally attend religious services once a month or more has dropped slightly, from 33% in 2019 to 30% in 2022.

As religiosity is decreasing, cremation rates are increasing. In the Southeast, for example, where the greatest number of people report regular attendance at houses of worship, cremation rates are much lower than on the West Coast, where attendance at religious services is the among the lowest in the country.

The decrease in the regular practice of religious traditions, however, does not mean that spirituality is on the decline. A national industry study revealed that over two-thirds of respondents feel it is either important or very important to have a

funeral or memorial service to commemorate the life of a loved one. After experiencing the pain of COVID lockdowns, 85% of respondents agree that funerals are for the living and help begin the grief journey and healing process.

The intersection of declining religious practice while spirituality remains strong has given rise to the certified celebrant, a position that we expect to become increasingly important in 2024 and beyond. Nearly half of the survey respondents reported attending a funeral or memorial service where someone other than a member of the clergy presided over the service.

Certified celebrants are secular alternatives for atheists, agnostics and spiritual, but non-religious individuals who are fine with prayer at their loved one's funeral service. Those in the latter group are known as "Nones" in the United States, as in "none of the above" when asked about their religious identity. Pew Research reports that 29% of American adults identify as "Nones," and 42% of that group are millennials.

Certified celebrants provide:

- A secular option for families who are not regular church-goers or for interfaith families.
- Experienced public speakers for eulogies or to serve as hosts for cohesive and meaningful memorials.
- An objective viewpoint if family members become heated or emotional while planning the service.
- Assistance in gathering photos, videos, and stories to present at a memorial.

Funeral homes that do not offer celebrant assistance may risk losing some

families and exposure to their guests. These families may choose to create their own personalized services and keep the funeral home out of it entirely. In fact, more than half of survey respondents said they have attended a funeral at a location other than a funeral home or place of worship.

We predict that this trend will continue in 2024, leaving traditional funeral directors with a simple choice. Will you change and adapt to help families plan services led by a celebrant of their choice or will you resist the trend and lose business? The answer should be clear. While these funerals may seem unconventional, their intent and purpose are as old as time: to provide comfort, support, and guidance for families who have lost a loved one.

The Road Ahead

As funeral professionals, we enter 2024 focused on innovation and evolution. New technology and digital tools are essential. Diverse options are in demand. And nontraditional is gradually replacing the traditional. Let us embrace these shifts and commit ourselves to guiding our communities through the challenges and opportunities that lie ahead. Together, we can build a more compassionate, forward-thinking industry. **✎**

Andrew Clark is chief customer officer for Foundation Partners Group where he leads all field operations, operational strategy, sales, and customer experience activities across the company's more than 260 locations. He is a licensed funeral director and embalmer and vice chairman of the Florida Board of Funeral, Cemetery and Consumer Services. Andrew can be reached at Andrew.clark@foundationpartners.com.

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