

MARGINS

ELITE

To stanch the decline in revenue per call, strive to brand your firm as elite.

BY WELTON HONG

I'M AS TIRED OF WRITING THE TERM COVID-19 AS I'M SURE YOU ARE OF READING IT.

It's hard to believe the term didn't even exist a year ago, and now it has completely permeated our lives. And while we continue to hope for the best, coronavirus and the restrictions imposed because of it are likely going to be the case for the near future.

But rather than looking at the virus' general impact on funeral homes - much has been written on that topic - let's focus on its impact on revenue per call and what that means for firms going forward.

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Many digital marketing initiatives for funeral homes focus on

generating more at-need calls, which is all well and good. Many firms need that, and marketing pros work hard to develop campaigns to increase call quantity.

With that said, many firms right now aren't necessarily having an issue with getting the phone to ring. They don't have a great need to generate more at-need calls. (Sadly, in places where coronavirus deaths have been peaking, most funeral homes have enough on their hands already.)

The one thing firms across the board do have in common right now is a substantial decrease in average per-call revenue.

Again, that's not exactly breaking news, as revenue was declining before the coronavirus crisis



due to a variety of factors, particularly the rising popularity of cremation without a service (or minimal service). The erosion of middle-class wage standards over time has played a substantial role as well.

But with COVID-19, that decline accelerated rapidly. It's not rocket science – if you can't conduct your full suite of services, if you can't provide hospitality options, if you're limited to 25 or even as few as 10 attendees, your margin is becoming worryingly slim! Even in places in which services are largely back to normal, the massive economic damage from the lockdowns has left Americans with far less spending power than before.

Some of that may have changed between the writing of this article and when you're reading it, but one thing remains true: Whether it's in the thick of the crisis or a year or two from now, when it's (hopefully) long in the past, funeral homes must do something to stanch the decline of revenue per call.

There are several ways to do this, but let's concentrate on what I consider the biggest one: Your funeral home must brand itself as the elite provider in your area – not as one of the best, not as a very good one and certainly not just an okay one.

When someone searches “funeral homes near me,” “burial,” “cremation,” “veteran funeral” or whatever, your firm must stand head and shoulders above the competition.

While that can be achieved in several ways, the foundation comes back to something I've noted in the past: You absolutely must have a stellar online reputation, and the key to that is generating a lot of extraordinarily positive reviews.

But this time, I'm not talking about getting a handful of pretty

good reviews. I'm talking about five stars, almost exclusively. The occasional four-star review is okay, but you really want a ton of five-star reviews (especially on Google) to make this work. That's how you brand yourself as elite.

To Be Truly Elite, The Floor is 4.8 Stars

This part is really quite simple. While some potential clientele will dig into the text of the reviews themselves (or at least a handful of the most recent ones), everyone will start by making a judgment based on the average star rating they see.

The most important of these ratings are on Google, so let's look at these star averages and what they say to people who find your firm on a Google search. I'll admit this is an inexact science, but based on my experience, here's what I believe:

4.8 to 5.0 Stars

This is the sweet spot to truly be perceived as elite. And yes, you really need that minimum of 4.8; it makes a difference. The only caveat is that a perfect 5.0 score actually could work against you because it may sound too good to be true.

4.5 to 4.7 Stars

This is a perfectly fine place to be, and it's where most well-established firms find themselves. If you've at least 40 reviews with an average in this range, you've done well with review generation.

4.0 to 4.4 Stars

To be honest, this is the bare-minimum range to be considered acceptable in funeral care. It's a fine range for a pizza joint, but a funeral home must do better.

3.5 to 3.9 Stars

An average like this will mostly attract calls from price shoppers and other no-frills cremation clients. Again, 3.9 is perfectly acceptable in many other industries, but it's egregiously low in deathcare.

3.4 Stars and Below

Abandon hope, all ye who enter here. If you're anywhere in this range, it's time to focus on better serving clientele and/or working harder to mitigate damaging negative reviews.

If these assessments seem overly harsh, I get it. We're wired to think of star ratings from 1 to 5 much like letter grades in school. So, isn't 4.5 essentially still an A? A 4.1 must be at least an A-minus, and 3.9 is a solid B-plus. Those are still good grades, aren't they?

If you're looking for a place to get your oil changed or a barber shop for a quick haircut, sure, those grades are decent. At 3.9 stars, the speedy-lube shop probably won't forget to replace your oil cap, and the barber probably won't leave you looking like Moe from *The Three Stooges*.

But if a close family member died, would you entrust their care to a funeral home with 3.9 stars? Perhaps, if you had no other choice due to location or budget. But if you had broader options, you won't even give that place a second look.

Elite Status = Better Revenue Per Call

Typically, we're looking at a firm's average review rating on Google to figure out whether it's going to get the call in the first place. If the rating is too low, the searcher won't call or visit your website.

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But in this case, we're ignoring the "really good but not quite elite" average altogether. Don't get me wrong; a 4.6 rating is a very good place to be, especially with a solid sample size (at least 30 reviews and preferably 40-plus). But it's not *elite*. And to maximize revenue per call, you must be elite.

Think about the families that *do* have the resources to help you maximize revenue on a service. They're not looking for a *pretty good* local firm. They're not looking for a *very good* firm. They're looking for *the best*, and the first indicator of whether your firm is

the best is your rating average. That's the very first thing to lock down.

It's also important to keep an eye on your reviews, particularly the most recent ones. Consumers most often look at a handful of either the most recent or most relevant reviews or both. That's why even one recent one-star review can be devastating. It gets more weight because of its recency, for one thing, and it's simply much more prominently displayed than older positive reviews.

To be elite (and maximize per-call revenue), it's critical that you diligently monitor recent reviews

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and be prepared to either flag false ones for removal or reach out to the reviewer to solve the problem and transform the review into a more positive one.

That's not quite the end of the story, of course. To position your firm as elite, that branding must be consistent throughout the potential client's experience.

That means you must have a modern, professional website that looks and works great on both desktop and mobile devices. Your advertising and marketing materials must be sharp and clean, with immaculate grammar and attractive images. And of course, if you're consulting with families virtually due to COVID-19, you'll want to make these discussions as professional as possible as well.

Leave no stone unturned. Scrutinize every aspect of your firm and its processes to ensure that you're projecting an elite image. Don't settle for being clearly better than your competitors; try to go well beyond that. You want to look like the ritzy luxury hotel surrounded by a bunch of cheap motels.

I know that might sound like a lot of work, but I assure you it's worth it to position yourself to keep per-call revenues from declining.

And if you're really good at it, you may even get them rising again. ☰

Welton Hong is founder of Ring Ring Marketing and author of Making Your Phone Ring With Internet Marketing for Funeral Homes.

Madelyn
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*The opportunity to choose a Keepsake Pendant
presents itself only once.
The comfort a Keepsake Pendant offers, lasts a lifetime.*

*Known for quality materials and craftsmanship,
Madelyn Co. Keepsake Pendants
are hand made using jewelry-grade precious metals.*

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