



Powerhouse Marketing with Welton

By Welton Hong

Determining Your Firm's "North Star Metric"

Getting around in the old days wasn't as simple as pulling up Google Maps on your phone or your vehicle's navigation system.

Explorers of bygone eras didn't have GPS built into their ships or wagons. They relied on stars and constellations, using ever more accurate tools to measure the location of the heavenly bodies and their distance from the horizon. Those calculations helped them navigate.

While sailors relied on numerous constellations for this purpose, for those in the northern hemisphere, the star Polaris—aka the North Star—was perhaps the most important pinpoint of light in the night sky. No matter where they were in the northern hemisphere, Polaris let them know which way was north.

What does this have to do with funeral marketing? It turns out modern marketers have their own North Star, and you can use this tool to grow your funeral firm.

What Is a North Star Metric?

It's a single key performance indicator you look at to guide the growth of your business and understand how its performing.

This doesn't mean you don't have other metrics for success. After all, sailors of old didn't just navigate using Polaris; they *started* with Polaris and used other stars and constellations to fine-tune navigation.

Why Is a North Star Metric Important?

Identifying a North Star metric creates focus for your death-care firm's entire business.

Your team can then look at the North Star metric and ask, "What actions can we take to improve this number?" That often makes it easier to concentrate on growth and marketing efforts that make a real difference in business performance.

The North Star metric also provides a high-level, "at-a-glance" look at your firm's overall health. If you choose the right metric, you can use it to gauge whether near-fu-

ture revenues are likely to remain healthy and whether your business is growing, remaining stagnant, or shrinking.

What's a Good North Star Metric?

Choosing the right metric is critical, and many businesses default to *revenue*. While revenue is obviously important, it's not a great North Star metric. Instead, try to pick a metric that's aligned with the overall health of your funeral home as well as customer value.

For example, consider the case of the music streaming service Spotify. Some potential North Star metrics for the company could be revenue, the number of paying subscribers, or the number of artists serving music. However, none of those is Spotify's North Star. The music streaming services gauges growth on time spent listening.

That's a great North Star metric because it's measurable, directly related to Spotify's success, closely tied to customer value, and supports further analytics.

Spotify can dig deeper into this metric, looking at factors such as time spent listening on the weekend, time spent listening to podcasts versus music, or time spent listening to certain artists or genres.

Tips for Choosing Your North Star Metric

Potential North Star metrics for cemeteries might be the number of families served, the number of preplanned arrangements, or the number of packages sold.

Getting to the right North Star metric for your firm requires a bit of thought. Answer the following questions to help find a Polaris-style KPI you can use to enhance growth:

- **Does the potential metric apply to all or most clientele?** The number of luxury burial packages sold is not a good North Star metric unless your firm *only* sells luxury services. Digging too deep into a single aspect of your business with a North Star metric can cause you to focus too much on that aspect, eventually leading to a lopsided marketing and growth structure. It

also creates risks that you may alienate a portion of your target audience, which leads to missing out on potential conversions and revenue.

- **Can you measure it?** A North Star Metric is only good if you can easily measure it to understand where you stand. The percent of satisfied families may be a great metric on which to base the success of your services, but you need a consistent plan for measuring those results if you want to use it as your North Star.
- **Do you have control over it?** The entire point of coming up with a North Star metric is that you can work to impact it, growing your firm in the process. If you choose a metric that's out of your control, you can't do this.

For example, the number of at-need services provided per month might be a metric to consider. But one of the biggest factors in that number is more people passing away (and their families choosing your firm). You can use marketing tactics to help persuade people to pick your business, but you can't impact the death rate in your area.

Here's the good news when it comes to picking your North Star metric: You're not stuck with it forever. If you find that your metric isn't serving you well, you can change it. In fact, you should reconsider the metric periodically, because as your firm grows or the market changes, how you determine success evolves.

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