

Rethinking Advance Sales



Sales are down in cemeteries and cremation is rising more every year, but there are some cemeteries that are still earning profits. Advance sales (the “preneed” of the cemetery industry) are very important for yearly growth. In order to put your cemetery in a better position, you should try new things and rethink some old actions.

So why are some cemeteries having such a hard time with advance sales? Thomas Daly, founder and principal in charge of CHS Consulting Group in Westwood, Mass., believes the economy is one of the biggest factors. “Families financially may not have the funds to preplan and to purchase their future burial options. Second, many families are still learning about and considering cremation, and are unfamiliar with the possibility of a more permanent disposition and memorialization following cremation. Third, cemeteries may have a difficulty with preneed sales because of lack of available land, planning and staff size that has placed them in the position to provide at-need sales only,” he said. “Cemetery managers wear many hats and are dedicated to the care and daily operation of their cemetery and time for preneed advance sales is sometimes not possible.”

Robert M. Fells, executive director and general counsel of the International Cemetery, Cremation and Funeral Association, believes that another reason for the decreased amount of advance sales is that people are moving away from where they were raised. “Burial locations are

increasingly selected based on where people are residing at the time of their deaths. This is good news for cemeteries located in popular retirement areas but bad news for cemeteries in areas where people move away,” he said. “Some states in the Northeast, for example, have been losing population for years. Adding to the uncertainty is the decline of traditional burials, often in conjunction with a decline in traditional funeral services. When the cremation rate was low, people had limited options for the disposition of casketed remains. Today, the mobility factor in transporting cremated remains can remove the cemetery as an essential component in determining the final resting place.”

According to Fells, advance sales are an integral part to running a cemetery effectively. “Cemeteries pioneered the concept of advance sales, mainly because the burial rights are ‘delivered’ when paid in full,” he said. In addition, some families that have connections with the cemetery, like relatives already buried there, might want to be buried there, as well. “Advance sales can help build the maintenance trust funds, to the benefit of all lot owners, and the families of those interred. They can also contribute to cash flow and should

be part of every cemetery’s strategic planning,” Fells said.

Daly added, “Preneed sales are important to today’s cemetery, as it provides the cemetery a new base of individuals that have selected their property, helping generate a larger network and possible new referrals to other families considering their future burial options,” he said. “Having a preneed program, I believe, keeps your cemetery active in its community and helps provide the necessary cash flow for their cemetery budget. The lack of a preneed advance sales program will send a message that the cemetery has no burial options available for families to select. Studies have shown that families believe it is appropriate to prearrange their funeral before making out a will, and it is important that a burial option is also chosen.”

Connecting with Consumers

One of the most important things that cemetery managers can do (especially ones who also own a funeral home) is to do a better job in the arrangement conference, said Nancy Lohman, vice president and COO of Lohman Funeral Homes, Cemeteries & Cremation in Florida. In order to have a much more productive arrangement

conference, or even just to educate a visitor to your cemetery, you have to create a compelling story with the consumer – make them feel that they should be buried in your cemetery, Lohman said.

It can also help your advance sales if you coordinate a strong, better relationship with your local funeral homes. Lohman knows this is a “pie in the sky” ideal, but it needs to be done in order to help your cemetery make more advance sales.

The problem with most cemeteries (and cemeterians) is that they do not have the chance to connect with the consumers in the way that funeral homes and their directors do. Your consumers are craving that attention and human connection, and you need to make the time to give it to them, Lohman believes.

“There’s no question that community outreach is important,” Lohman said, and even simple ways to get out to your future consumers, like inserts in local newspapers, can help put the idea of advance sales in the consumers’ minds. “Hopefully those inserts are eye catching,” Lohman added.

Lohman’s funeral homes and cemeteries often hold “lunch and learns.” These special luncheons provide those interested in preneed or advance sales presentations, answers to questions and lunch. Lohman will have a sales professional seated at each table so comfortable conversations can easily be started. These “lunch and learns” have proved to be very successful, and Lohman always has many preneed and advance sale appointments made. “We speak up, and we are not shy about setting up an appointment,” she said.

These seminar lunches must be small enough to be intimate affairs so consumers don’t feel lost in the shuffle. In her opinion, Lohman feels that 18 to 22 people attending a lunch is the zone for the best results. “It’s important to the success of a seminar,” she added.

The presentation that is shown at the lunch should hit the emotional strings of the consumers, Lohman said; some

of these points can include a focus on what you want to remember about a deceased loved one and the importance of having a permanent final resting place for your family members and friends to visit. “That’s what you want to trigger,” Lohman said.

The presentation should have video and visuals that will open two very

covers their cost of the service or the cost of development of the burial rights. Thus, to help cemeteries increase their income, they need to know their cost for the services and cost of planning and development of the burial options and charge a fee accordingly.”

And don’t forget the aesthetics of your cemetery, Lohman said. In order to sell

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specific ideas inside the consumers:

1.) The presentation speaks of someone to the consumer about the importance of recalling the significance of someone who has died.

2.) The presentation speaks to the consumer about the significance of the actual loss of the loved one. “Both are important to validate,” Lohman said.

She added, “People need to know they have a place to go to reflect, meditate and honor the person that they loved.”

Rethinking the Fundamentals

Daly has some tips to help cemeteries boost advance sales. “First, I would prefer to change the word ‘sales’ to ‘income,’ and then suggest ways to help raise their income within their cemetery budget,” he said. “Sales of burial rights are an important mix to the income the cemetery generates each year. It also helps provide the added funds to the principle trust of the cemeteries’ endowed or perpetual care that produces income to support the annual budget.”

He added, “The services the cemetery provides are as important, however, many do not charge a fee that

plots, you need to provide your families with a place that they are going to gravitate to. If you see families walking through your cemetery, don’t be afraid to smile and wave. “We want to know that our cemetery is for them,” she said.

Daly added that a good way to promote sales is to stay in touch with families. Consider sending a condolence card after the burial and have annual memorial services. “If you remember their deceased loved one, I know they will remember you,” he said.

“No matter the size of the cemetery or its staff, the best techniques to increase sales is to stay in front of your potential families. Always have material, a brochure, newsletter and an informational guide that you can give them,” he added. “Families are interested in learning more about selection of a burial option, pricing and availability. A simple newsletter can promote special events and burial options available, as well as information about cost saving ways to preplan. Today’s technology has allowed the cemetery to create a website, have a presence in the community and provide information to potential families.” ♦