



## Profitable Merchandise: Looking Closer at Burial Vaults

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Sometimes it seems that we are afraid to use the word “profit”, due in part to an association that some people attempt to draw between profit and exploitation, such as “a company has profited at someone else’s expense”. The funeral service industry is particularly sensitive to this perception, aggravated by occasional unfair slams in the media. The reality, though, is that funeral service providers are highly ethical businesses and businesses cannot survive without profits. Consider this from the Foundation for Economic Education:

“Profit is a deeply moral concept, since without profit we will suffer, not from exploitation, but from a misallocation of resources, a failure to provide the goods and services that the economy needs, the loss of tax revenue, a reduction in employment and the inability to provide for social need whether through the private sector or the public sector.” (5 Reasons Profit is Good. 2015, November. Retrieved from <https://fee.org/>)

It’s as if this was written specifically about the funeral service industry.

So let’s unashamedly talk about profits and consider your offerings in services and merchandise. Do you have a solid understanding of the contributions to your bottom line across all services and merchandise? On the merchandise side, you’ve likely been well-informed by the casket companies on profits generated by caskets as these firms have generally been proactive with reporting on inventory turns and profits. Casket

sales may also be front-and-center because they have historically been predominant in volume as a sales item and your funeral home may have considerable inventory for which you are focused on recovering your investment. However, there are trends that may be chipping away at your casket sales and profits, such as consumers purchasing caskets online and the increasing rates of cremation that don’t involve a viewing. Where might you look to shore up revenue?

One merchandise item that is often under-appreciated as a strong profit contributor is the outer burial container (OBC), particularly lined burial vaults. Burial vaults have always contributed steady profits to funeral homes but may not have always received the visibility achieved by caskets. Indeed, burial vaults may well be the second highest profit contributor among merchandise items. However, the potential for burial vaults to generate even greater revenue is apparent when you look at the research on consumer preferences.

According to a study by independent research firm Product Acceptance & Research (PAR), consumers who are educated on the differences between unlined grave boxes and lined burial vaults overwhelmingly said they would choose a burial vault for themselves or a loved one. Only **seventeen percent** of respondents said they would choose an unlined grave box after seeing nothing more than a two-minute video describing the differences. Differences briefly outlined in the educational video were objective comparisons

of construction and protective qualities as well as the ability to personalize many burial vaults with photos and images to commemorate loved ones. It is striking to compare the eighty-three percent inclination towards purchasing lined burial vaults with the typical industry sales mix of fifty-percent. Even more striking is the significant revenue and profit potential that an improved OBC sales mix represents. What is the OBC sales mix at your funeral home and what would your bottom line look like if you were to see more sales of lined units?

**“But I know my families and they don’t want higher-quality burial vaults.”**

This is an interesting statement that needs to be challenged a bit. Arguably it falls into the same questionable assumption that families who choose cremation are doing it primarily for cost reasons and thus have no interest in services. You might know what you have sold in the past, but do you really know what families want? Looking at the PAR research, the majority of families want protection and personalization of an outer burial container for their loved ones.

But let’s go beyond the research to your own experiences – haven’t you ever heard people say “I had no idea you could do this” after they chose (or attended) a committal service with a personalized vault carapace on display? In my years of work in the funeral industry, I certainly have heard numerous stories like this. Fully educate families on product and service options and let them arrive at their own educated decisions. Like all other major decisions people make, the more information and knowledge they have, the better they feel about their decisions. And the better they feel about those

who educated them.

There are a number of tools available to help you educate families, but video is perhaps the most effective. Video has a way of engaging people of all ages and appeals to both visual and auditory learners. A good video is also able to impart all of the key information, concisely and consistently. Showing a video also provides a welcome break from the intensity that most families feel during the arrangements conference. You may be quite surprised at the effectiveness of video and even choices that families make as a result of watching a video. Ask your vault supplier if they have videos that you can use. You can also email this author for the same two-minute video (non-branded, free of charge) that was used in the PAR research study.

Additional tools that are available run the gamut from traditional print collateral and wall graphics to digital presentations that can be utilized in your selection room or on a large-screen display in your conference room. Again, you can tailor and complement your OBC presentation with those tools that are most comfortable for you and your staff. The value of locally-provided products and services

While other merchandise is more subject to being purchased outside your business, that’s not generally the case with a burial vault. A burial vault cannot be easily or inexpensively shipped over long distances and the setup and installation of a burial vault requires special equipment and skilled labor. Consequently, funeral service providers receive nearly all sales of outer burial containers.



There is also tremendous value in a graveside service, both in terms of added revenue but also intrinsic value for families. The final committal of a loved one to the final resting place is service is what everyone has been working toward since the death. It's been said that a good funeral gets the dead where they need to go and the living where they need to be and the committal service is the ultimate ritual that makes both happen. A personalized burial vault can greatly add to the tribute and committal at the graveside and to the positive experience for the family. As personalization is available on better quality burial vaults, a more profitable unit can be sold while delivering what people want to buy. Families will spend to get the experience they want. Additionally, positive experiences can also translate into future value for the funeral professional in the way of return and referral business.

**OBCs do not tie up capital**

Most firms do not buy an inventory of outer burial containers as the OBC is generally delivered only when sold. Subsequently, there is no capital that is tied up. While some firms may buy a minimum OBC inventory, that inventory is usually turned quickly. Other merchandise may be on a showroom floor for so long that aging becomes an issue. Have you engineered your floor the best you can? Considering capital investment and inventory costs, outer burial containers are among the most efficient merchandise items.

**Don't bury revenue opportunity**

Burial vaults provide extremely solid revenue and opportunity for additional revenue growth. Make sure that each family is educated on differences in OBCs and the service possibilities that can enhance

the commemoration of their loved one. Utilize some of the many tools that can help you and your staff consistently equip families with better knowledge and food for thought on what they can do to create a memorable experience. As more families choose higher quality burial vaults, your profits will also rise and allow you to reinvest in your firm and help secure financial stability.

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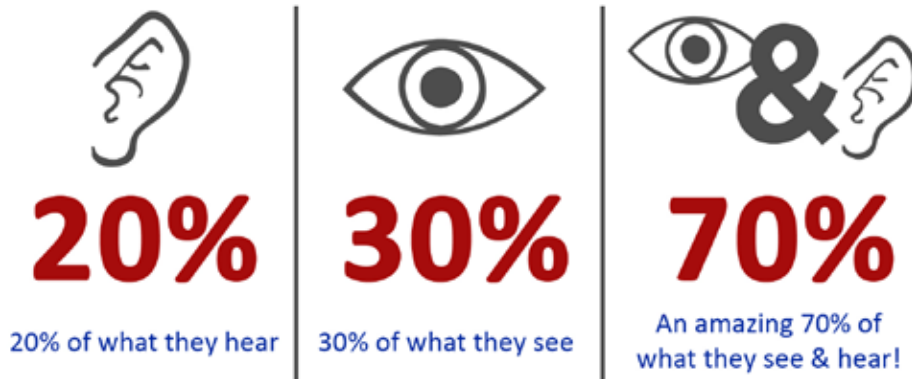
experience in helping funeral professionals build market share through customer education

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- Provides concise education about burial vaults and personalization options
- Families see their loved one's photo on the personalization chosen for the vault cover
- Allows families to create a custom color combination

***Watch the video  
on the game-changing  
power of ESP®***



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