

# [REVENUE RESOLUTIONS]



## A New Mindset for a New Year

A new year brings new business resolutions. Small changes in your firm's approach to doing business can have a profound impact on how you navigate the coming year ... and that's what we're focusing on in this special advertising section.



# [REVENUE RESOLUTIONS]

## 6 Tactics to Enhance the Income-Generating Potential of Your Preneed Trust Program

For many funeral homes, the difference between a successful year or one where sales are lost to competitors boils down to one thing: having a robust preneed program.

**T**his year, about 4.4 million people will turn 65 years old, according to the U.S. Census Bureau. That's 12,000 people every day. As our country's population ages and the 65-year-old demographic increases, preneed will become increasingly vital to the financial success of your business.

In our conversations with funeral directors, most of them agree that it is important to provide preneed options to families in their communities. We believe, however, that funeral businesses may be missing out on potential investment income by primarily relying on insurance-based preneed plans. That is because, while many owners understand how trusts work, they are not exactly clear on how trust investments can move the needle on their financial statements.

### HOW A THRIVING PRENEED PROGRAM CAN BOOST YOUR FINANCIAL STATEMENTS

Typically, a preneed sale is recorded on a company's balance sheet as a long-term liability often classified as "deferred revenue." (The offsetting accounting entry, for those interested, is "preneed receivables." These entries offset each other and do not affect the business's net worth.) The preneed sales proceeds are then placed in a trust and invested. When the contract goes at-need, the company withdraws those funds – plus any earnings or capital gains – to cover the cost of services.

Unlike trusts, insurance companies are often limited in how they can invest preneed funds. They are often required by law to invest in risk-free investments such as U.S. treasury notes and bonds. Preneed trust funds, however, have more leeway and can invest in a conservative, diversified portfolio of equities and fixed income securities that have historically generated higher returns than insurance preneed assets.

Those higher returns can have a material, positive impact on a funeral business's financial statements – and be a significant reason you earn a profit or loss on a preneed contract. Nothing is guaranteed in life, especially when it comes to investing. History has shown, however, that over the long run preneed trust investments have a statistically higher probability of outperforming insurance investments.

### PRACTICAL, ACTIONABLE TACTICS TO GROW YOUR PRENEED SALES PIPELINE

A well-designed preneed trust program can be a game changer financially and should be a priority. In our experience, preneed contracts represent 20%-40% of a funeral home's revenue. We believe funeral home owners should be more aggressive in setting preneed sales goals and target a minimum of 50% of revenue.

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# ARGENT TRUST: YOUR “GO TO” RESOURCE FOR FUNERAL AND CEMETERY TRUST SOLUTIONS

As a death-care professional, serving families is job one. At Argent, our top priority is helping you manage your business so you spend less time on trust administration and record-keeping, and more time caring for families.

## YOUR PARTNER FOR FUNERAL & CEMETERY TRUST SERVICES

At Argent, we always take a “You, First” approach to serving our clients. Just like you do with your families. We see it as our responsibility to get to know you and to tailor practical, actionable solutions that are designed to protect, manage and grow your wealth.

Our client-first philosophy is embedded throughout Argent’s funeral and cemetery trust services, one of the most respected death-care trustee and fiduciary wealth management groups in the country. Backed by a veteran team with decades of industry experience, our proven strategies and technology increase profits for clients and reduce the worry and stress of managing their business.

## SUPERIOR PRENEED TRUST & INVESTMENT MANAGEMENT CAPABILITIES

Our expert team includes experienced portfolio managers who are familiar with the various state-specific investment requirements. When you partner with Argent, you enjoy the advantage of having a dedicated investment professional responsible for creating and managing customized equity and fixed-income strategies to meet the unique needs of your business. And we will handle all performance reporting, investment monitoring and due diligence to ensure compliance with state and federal regulations.

## INDUSTRY-LEADING TRUST ADMINISTRATION & RECORD-KEEPING SOLUTIONS

Argent funeral and cemetery trust clients have access to the services of our subsidiary, Funeral Services, Inc. (FSI), the country’s premier administrator for pre-



BILL WILLIAMS



MICHAEL FAHERTY



need and perpetual care trusts. For nearly half a century, FSI has provided turnkey trust administration and record-keeping technology and services to funeral homes, cemeteries, industry associations and financial institutions.

## EXPERT LEGAL & COMPLIANCE COUNSEL

Our funeral and cemetery trust group includes legal experts who are well-versed in all federal and state death-care trust investment and reporting industry regulations. You can rest well at night knowing our reporting, contract management and recordkeeping systems will hold up against any audit.

## THE ARGENT DIFFERENCE

Since its founding in 1990, Argent Financial Group has grown into a leading independent fiduciary wealth management firm by always acting in the best interests of our clients and delivering in-depth, personalized, unbiased service in a candid

and common-sense manner.

Now responsible for more than \$65 billion in client assets, Argent provides individuals, families, businesses, and institutions with a broad range of wealth management services, including trusts and estate planning, investment management, custody and escrow, retirement plan consulting and administration, ESOPs, funeral and cemetery trusts, charitable organization administration, oil and gas (mineral) management and other unique financial services.

Our unique blend of professional staff experience and solutions allows us to help you protect, manage and grow your financial assets. From Argent’s presence in 37 markets in 15 southern states, our professionals can serve clients across the U.S.

If you would like to explore how we can help you improve your trust program, please get in touch with any of Argent’s professionals at 800-375-4646. We are ready to help.



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Accurately recording and growing pre-need revenue can help you better manage your business in several ways, such as:

- Providing a better visibility of future revenue.
- Offering improved insight into future financial obligations to deliver services.
- Improving cash flow management and forecasting.
- Increasing access to expert preneed trust investment experts.

Baby boomers are redefining end-of-life services. They no longer want the kind of traditional service their parents or grandparents attended and instead are seeking creative end-of-life celebrations.

Here are six practical, actionable tactics that can help you accelerate sales growth without taking time away from the quality services you provide families:

## 1. INCREASE YOUR PRESENCE ON SOCIAL MEDIA

If you are not visible on social media, you are missing a prime opportunity to build brand awareness and sell more preneed contracts. Sprout Social, a top provider of cloud-based social media management software, found that 68% of consumers purchased products and services directly from social media. Here are two key strategies to increase your social media visibility:

- **Digital advertising:** Make strategic digital ad buys on social media channels like Facebook and Nextdoor. These platforms make it easy to target your ads based on certain demographics, including age, gender, location and interests. The cost certainly will not break your budget and the leads from the ads can help build your preneed sales funnel.
- **Community engagement:** Engage with your audience on social media. Regularly publish informative articles about end-of-life planning on your website, and then share it on social media channels your audience frequently visits. The more you engage with families in your community, the more opportunities you will have to demonstrate why your funeral home is the best choice to serve them.

## 2. YOUR WEBSITE IS AN INVALUABLE MARKETING TOOL

Long gone are the days of your website looking like a digital brochure. You need a contemporary-looking website that is full

of information about your funeral home and the services you offer. Set goals this year in these areas:

- **Educational content:** Publish informational content, especially “how to” articles and videos to help families plan and purchase preneed services directly from your website.
- **Lead generation forms:** On each page of your website, make it easy for visitors to provide their contact information or ask questions about your services. Then follow up in a timely manner. You will be amazed at how many leads you add to your pipeline.

## 3. GROW SALES USING A CUSTOMER RELATIONSHIP MANAGEMENT (CRM) PLATFORM

To increase your preneed pipeline, you need to take a data-driven approach. Creating cumbersome Excel spreadsheets to update and track leads no longer works in today’s market. There are several affordable customer relationship management platforms that can be seamlessly integrated into your IT system, including your preneed recordkeeping and administration platform.

A CRM application provides you with visibility to monitor the progress of every lead and build closer relationships with customers during their purchasing journey. It also allows you to have key performance metrics at your fingertips, such as the number of preneed contracts sold, average revenue per preneed contract and closing success rate.

## 4. GIVE FAMILIES PLENTY OF CELEBRATION-OF-LIFE OPTIONS

Research from the Foresight Companies and the National Funeral Directors Association have proven that families want more options. Make it a priority this year to find ways to host or provide access to customized end-of-life celebrations. Consider allowing customers to create their own packages, such as inspiration fund accounts (essentially a cash reserve in a preneed contract), so they can plan and pay for truly memorable services.

## 5. PARTNER WITH PROVEN PRENEED TRUST INVESTMENT EXPERTS

Preneed trusts pose distinctive challenges because of the varying regulations

and the diverse age and health conditions of contract holders. That is why we strongly advise that funeral home owners work only with wealth management professionals who have a proven track record of growing preneed trust assets.

When you partner with Argent, you will be teamed with seasoned portfolio managers who are familiar with state-specific, preneed investment regulations for each location where you do business. You also will be assigned a dedicated investment professional who will create and manage equity and fixed-income strategies that are tailored to meet the unique needs of your business. Plus, Argent will handle all performance reporting, investment monitoring and due diligence to ensure compliance with state and federal regulations.

## 6. INVEST IN A MODERN PRENEED TRUST RECORDKEEPING AND ADMINISTRATION SOLUTION

In our increasingly connected world, funeral directors need a robust trust recordkeeping and administration services platform that offers cutting-edge digital tools, online resources and real-time information to serve families. Through FSI, you have access to an industry-leading, user-friendly platform that can efficiently and cost-effectively help you manage data entry, account reconciliation, and payments processing, as well as edit and store contracts and related documents. FSI’s technology frees up funeral directors so they have more time to spend with families and community members and less time performing routine, administrative tasks.

Building a viable, scalable and profitable preneed trust program requires thoughtful planning that involves coordinated activities across multiple departments. With Argent as your trusted partner, we can help you increase your preneed trust business, grow market share and build stronger relationships with the families in the communities you serve.

If you believe your funeral home could benefit from our expert funeral and cemetery trust services, or need help on preneed strategies, we are ready to help.

Master Trusts  
Preneed Funeral Trusts  
Merchandise Trusts  
Endowment Care  
Investment Management  
Trust Administration

# Your “Go To” Resource *for* Funeral & Cemetery Trust Services

Together, Argent Trust and FSI, backed by veteran teams with decades of experience and deep industry knowledge, offer proven, customizable solutions to help funeral homes and cemeteries increase profit and reduce the worry and stress of managing their trust programs.



Mark Milton  
Senior Vice President  
& Institutional  
Services Manager



Steve Jackson  
CPA, CFP®  
Senior Vice President  
& Group Manager



Bill Williams  
FSI President/CEO



Paul White  
FSI Senior Vice  
President Client  
Development



*Our unparalleled service is  
just one click or phone call away.*

# REVENUE RESOLUTIONS

## 7 Revenue Streams for Celebrating Life: A Fresh Perspective for Funeral Directors

In the past year, we witnessed a significant milestone as the oldest baby boomer celebrated their 77th birthday. Interestingly, this aligns perfectly with the U.S. life expectancy. But this isn't just about age; it's about the baby boomers taking center stage and changing the dynamics of the funeral industry.

### THE CALL FOR LIFE CELEBRATION, CREMATION AND PERSONALIZATION

The terms “life celebration,” “cremation,” and “personalization” are more prevalent than ever before. These aren't just trendy buzzwords; they signify a significant transformation within the funeral industry. Essentially, they embody the very things baby boomers have consistently valued: life, love, and the legacy of memories. This represents an unequivocal call for these elements to be interwoven into the way we honor and celebrate lives.

### MEMORIALIZATION: THE TRUE DEMAND

A traditional U.S. funeral service is essentially a memorial service; a cemetery

transforms into a memorial garden, and a tombstone becomes a granite memorial. Funeral professionals, at the heart of our industry, understand that it's all about memorialization. It's about honoring life, focusing on it positively, and keeping memories alive. This is a fundamental human need, one that transcends time and cultural boundaries.

Funeral homes are not high-volume businesses designed for cost-efficient disposition of deceased bodies; together with cemeteries, **they are centers for memorialization within communities.** They exist to support grieving families through their journeys of loss, helping them navigate the five stages of grief: Denial, Anger, Bargaining, Depression and Acceptance.

According to National Funeral Directors Association statistics, average NFDA member funeral homes have 113 services per year and have three full-time and four part-time employees. The funeral industry, with its high fixed costs and low volumes, has historically thrived on the premise that people are willing to pay for funeral services, much like they pay for medical care or legal advice. However, the emergence of direct cremation – a process streamlined for efficient handling of deceased bodies at minimal cost – has posed a significant challenge. Funeral homes are now competing with an option that is more economically oriented toward disposition alone. However, disposition is not the sole need of grieving families.

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## AP LAZER & SUPERNOVA INTERNATIONAL – A PERFECT MATCH

**AP** Lazer is an innovative open-architecture laser manufacturer that enables monument dealers to engrave large objects such as granite headstones to small keepsakes and urns. AP Lazer serves a variety of industries like signage, woodworking, home decor and furniture. We strive to provide best-in-class products and unmatched customer service to help build and grow your business. Creatively diversifying your business is the key to success. Let us show you what our laser engraving machines can do for you!



Supernova is our innovative, full-service granite supplier. We pride ourselves on providing the highest quality granite memorials backed by our 150% lifetime perpetual warranty with unmatched laser etching, sandblasting, and diamond hand etching services. Our most important function is to be part of our customers' team and satisfy their needs with granite options and free marketing material to show customers. Whether you are looking for blank granite pieces or finished monuments ready to set, we have thousands of memorials in stock.



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## REDISCOVERING THE ESSENCE OF MEMORIALIZATION

To thrive in this changing landscape, we must shift our focus from price competition to value proposition. The clamor for life celebration is essentially a call for funeral professionals to recenter our attention on the living – on their lives, their loves, and their memories. **Change is often seen as an opportunity in disguise.** By redirecting our focus toward the essence of memorialization, we open the door to seven distinct revenue streams:

### REVENUE STREAM 1: PERSONALIZED CASKETS

While personalized caskets may not be the initial request for most families, forward-thinking funeral homes are now incorporating laser engraving into every casket. Offering engraving as a complimentary service can result in a profit margin increase of at least 15%. By elevating the casket's emotional value through personalization, families are more than willing to pay for this special touch. Laser-engraved caskets with

messages of love and memory have a high perceived value, resonating deeply with families and setting funeral homes apart from online casket sales.

### REVENUE STREAM 2: PHOTO ENGRAVING ON CREMATION URNS

Photographs hold a wealth of memories, making them a powerful tool for celebrating a life well lived. Adding photo engravings to cremation urns, complemented by artistic designs, fonts, quotes, or poems, can significantly enhance their value and drive increased sales.

### REVENUE STREAM 3: CREMATION AND BURIAL MEMORIALS

While cremation rates continue to rise, there is a noticeable trend toward accompanying cremation with memorialization. Cremation rates are expected to reach 78.8% by 2040, specific statistics regarding the surge in memorialization remain largely uncollected. However, according to NFDA statistics, 31.7% of consumers express a preference for having their cremated remains interred in a cemetery.

The public is awakening to the significance of memorialization. While life celebrations are often associated with joyful gatherings, they also play a pivotal role in long-term grief care. Funeral professionals understand this need, and it's time to invest in more positive memorial services and gardens that help keep memories alive.

### REVENUE STREAM 4: KEEPSAKES

Advancements in engraving technology enable the transformation of everyday household items into cherished emotional mementos. From jewelry to commonplace products like tumblers, cutting boards, keychains, furniture, coasters, and blankets, engraved memories offer solace and love to grieving hearts. The potential in long-term grief care is immense, and funeral professionals need to recognize and embrace this uncharted revenue stream.

### REVENUE STREAM 5: HOME GARDEN MEMORIALS

With a backlog of orders for traditional granite memorials, there is a growing

trend toward temporary grave markers, memorial plaques, and garden features. Families are opting for plaques, small granite markers, slate or marble plaques, or even wooden memorials to place in their home gardens – a personal and comforting setting to remember and cherish their loved ones.

### REVENUE STREAM 6: PET CREMATION, URNS AND MEMORIALS

The pet market has experienced explosive growth, nearly tripling in size from \$45 billion in 2009 to \$137 billion in 2022. With pets typically living for 10 to 15 years, there's a significant opportunity in the end-of-life pet services and products sector. Laser-engraved pet urns and memorials are on the rise, offering a unique revenue stream for funeral professionals.

### REVENUE STREAM 7: DIVERSIFICATION

If I were a funeral director, I would consider adopting the title of Celebration Director and broaden my horizons to direct the celebration of life's special moments. Starting with laser engraving, funeral homes can transform into "one-stop love and memory engraving shops," from cradle to eternity. Funeral directors are among the best-educated, experienced, and well-connected professionals in their communities. If they can handle the most challenging life celebration events, they can certainly handle others. Acquiring a laser machine and embracing a broader perspective may be the key to success in this evolving industry.

The funeral industry is witnessing a transformative shift, driven by the baby boomer generation. The demand for life celebration, cremation, and personalization is not a passing trend; it reflects a fundamental human need for memorialization. Funeral professionals have a unique opportunity to meet these demands and unlock seven revenue streams by refocusing on the essence of their industry: keeping memories alive and helping families navigate the journey of grief. Embracing change and delivering value will be the keys to success in this evolving landscape. •





# INCREASE YOUR PROFIT

## With The Lazer That Can Do It All



Diversify your business, take total control of personalization, and expand your profit capabilities with an AP LAZER.



## BRING PRODUCTION IN-HOUSE AND TAKE CONTROL

Choose from hundreds of blank, in-stock, granite memorial products from SuperNova International. We offer top-tier granite paired with exceptional craftsmanship to elevate your laser etching business.



Laser Engraving



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