



with Market Research

MKJ
MKJ MARKETING

Ask the right questions...

The tradition of funeral service is to take uncalculated risks when expanding or initiating a funeral business. Through pure tenacity on the parts of owners/operators, many of the nation's funeral homes have continued, even when business volume did not merit the cost of remaining open.

Although the average new funeral home is constructed with the capacity to serve three hundred death cases annually, the average funeral facility actually conducts far less business.

Owners are constantly investing in promotional efforts to increase volume and they suffer as their investment fails to pay dividends. Many funeral home

Make no mistake,
the answers you
need are in
market research.

The more you
know, the better
your decisions.
Market research...
when you can't
afford to be wrong.

operators borrow advertising concepts from successful colleagues with the thought that if it worked one place it will work everywhere. But, funeral service is not like other businesses in that it is so deeply rooted in culture and tradition. Because of ethnic diversity and different histories, each region of the U.S. is unique, thus contributing to different funeral practices. As a result, the marketing messages advertised are of no interest to the consumer and go unnoticed.

Most of the unnecessary and expensive new facilities and failed marketing efforts could have been avoided by collecting data through market research and developing a precise marketing plan.

MKJ Marketing is a full-service marketing firm concentrating in funeral service. As such, MKJ has conducted more market research than any other active entity in funeral service.

Experience is a very important element in market research and planning. As with any complex process, there are many short

cuts and cost-cutting methods for conducting a survey; but there is only one, correct methodology

for conducting a valid and reliable market research study. The Market Profile Study was originally created by the Marketing Department of the Batesville Casket Company with the assistance of Roger Blackwell, Ph.D., a nationally recognized authority in consumer behavior and market research.

Wiese Research Associates (WRA) of Omaha, Nebraska, a full-service market research firm, was selected to collect data and compile the Market Profile Study because of their reputation as a reliable and statistically oriented research firm. As



Find the right answers...

opposed to employing professional college students or part-time employees, WRA employs only full-time interviewers. Each interview is audio recorded and subject to supervisor call back to assure quality and professional workmanship.

Probably the most common question asked in flawed research is "Why." In an effort to understand consumer behavior, researchers will ask "why" consumers feel the way they do in the belief people always have reasons for what they do and behave logically. The reality is people do not always behave logically and typically do not challenge themselves as to why they do one thing or another.

As a result, when challenged with "Why," a respondent is inclined to fabricate a justification for his answer. Unfortunately, research clients are too often presented with conclusions based upon this faulty data. As a result, poor management decisions are made, often in the form of financial investments.

Insight of consumer behavior can only be developed through years of experience analyzing data and practical experience marketing funeral services.

The MKJ Market Profile Study does not ask "Why," instead we concentrate on understanding the consumers' awareness of funeral homes and their priorities. Once we know how consumers make their funeral service selection, it is relatively easy to determine if that process can be used to move business to our client.

For instance, a common miscalculation in funeral service is the strength of commitment many consumers hold for their funeral home first preference. There are many levels of commitment; the only way to determine the level of commitment a consumer group holds is by understanding the consumers' decision making.

One example of this is the reference to yellow pages as an initial reference in the selection of a funeral home. Nationally, 18% of consumers report that the yellow pages would be their first source of information. In reality, no one knows what percent of people will actually consult the yellow pages, but the question is invaluable in determining the level of awareness consumers have of local funeral service providers.

If the percent of consumers in a particular market indicating reference to yellow pages is greater than normal, it indicates a low level of familiarity and would suggest advertising and marketing efforts in general will be productive.

In contrast, an initial reference to one's own personal experience or a recommendation from a friend or relative suggests the market is very stable.



Make the right decisions.



by Glenn H. Gould, III, CEO, MKJ Marketing

This is confirmed by the demographic data in regard to length of residence. It would suggest a change in preference could be very difficult to accomplish. In this case, MKJ would recommend against a significant investment in new or improved facilities or advertising.

This insight of consumer behavior can only be developed through years of experience analyzing data and practical experience marketing funeral services.

Once data has been compiled in a valid and reliable fashion and the analysis is completed, the most significant step in the marketing process remains; forming recommendations as to whether hundreds of thousands of dollars should be invested in a new facility or whether thousands of dollars should be invested in advertising, public relations or other forms of promotion.

Included is a comprehensive marketing plan. We'll analyze the data and provide clients with useful information for future success.

A Marketing Plan is generally considered by management authorities as a near necessity for success. Banks and other financial sources typically require a plan before making significant loans.

MKJ Marketing includes a comprehensive Marketing Plan as part of its market research service. The plan reiterates those elements of the market research report which define the studied trade area and differentiate it from the norm. The research results are used to form volume projections for a new facility's first five years in business.

The standard research study can assist in site selection and in determining the size of the proposed new facility. The research can also be used in making employment decisions based upon an individual's ability to attract business.

Developing a Communication Plan is the process of creating messages with meaning to consumers and selecting cost efficient media to carry the message. The Communication Plan, included in each Marketing Plan, details the specific messages which should be projected to the consuming public and explains why specifically recommended media will be the most efficient and productive for carrying the client's message.

In Summary: The single objective of the MKJ Market Research and Marketing Plan is to efficiently and accurately direct the client's efforts and resources to maximize productivity.





"We operate in a small communities with limited opportunity for volume growth. I cannot afford to lose a family, and when I make an investment, it has to pay off. The three studies we have conducted have allowed us to stay ahead of the competition by providing insight as to consumers' preferences and desires."

— Chris Tharp
Tharp Funeral Home & Crematory, Inc., Lynchburg, VA

"Because of the cost of property and construction, it is critical we have confidence in a project before moving ahead. For this reason, we have used the Market Profile Study not only as a tool in planning our advertising and promotional efforts, but also as a feasibility study for prospective new facilities."

— Richard Tetric,
Heritage Family Funeral services, Inc., NC TN, VA



"The St. Petersburg/Largo/Clearwater market in central Florida is very competitive with national corporations, aggressive cremation services, and traditional funeral firms. Because of the high death rate among retirees, the population changes continuously. We have used the research studies to project the opportunity for new facilities and to better understand our current markets."

— Bill McQueen,
Anderson-McQueen Funeral Homes, St. Petersburg, FL



"Most funeral firm operators have the advantage of living a lifetime in the community they serve. As an acquisition firm, we have expectations for the firms we acquire but we don't always know the communities as well as we need to. The Market Profile Studies we have conducted have provided us an in-depth understanding of the markets we serve."

— Jim Price
Keystone Group Holdings, Inc. Tampa, FL



Let us answer your questions...



Q: I don't want data, I want results. How is the information put to work to make a difference in my business?

A: The most common research study conducted by MKJ Marketing is in regard to new locations or acquisitions under consideration. The purpose of the study is to predict how many cases the new facility will conduct in the first year and the fifth year.

Many studies are conducted to analyze current trade areas; why do people in a community select one funeral home and not another and what can be done to increase volume and market share.

After the studies are conducted, the results are reported to the client in a comprehensive study, verbally presented by an MKJ Marketing Manager, and a Communication Plan is created which details specifically what marketing and promotional efforts should be taken to improve the client's position in the market.

Q: How is the data collected?

A: The research is conducted by telephone interviews. Door-to-door canvassing is no longer practical in many cities and mail-out surveys are responded to only by people with strong feelings toward the subject of the survey. The objective of the research is to determine the attitudes of the entire community, thus the sample group is selected through random sampling.

Q: Does MKJ Marketing collect the data?

A: No, MKJ Marketing's research affiliate, Wiese Research Associates of Omaha, Nebraska conducts the telephone interviews and compiles the data using computer software developed for this purpose by Dr. Roger Blackwell for the Batesville Casket Marketing Department.

Q: Will everyone in town know that I conducted a market research study?

A: No, the study is conducted in such a way as to not reveal the client's identity. When the sample group is contacted, the interviewers introduce themselves as a research analyst with Wiese Research Associates conducting national research to determine local attitudes toward local funeral homes.

Q: How long does it take to conduct a Market Profile Study?

A: MKJ Marketing will forward to you an information package including a Confidential Information Form. Complete the CIF and return it to MKJ with a map of the area to be researched and one-third deposit. The report will generally be completed within six weeks.

Q: How does Wiese Research select the people who are interviewed?

A: Only male and female, head of households age 45 and over are sampled. A minimum of 200 completed interviews are conducted. For most funeral home trade areas, this represents a significant portion of the age 45+ households.

For instance: A population of 100,000 people (which is a relatively large trade area) represents 33,333 households of an average 3.0 people. Out of the 33,333 households, a minimum of 10% are ethnic groups which are eliminated from the study because they are unlikely to select your firm regardless of how you market to them. Also, a large group of young households (those age 44 or younger) are eliminated resulting in no more than 23,600 households of which 200 will be interviewed.

When this is compared to the political polls used to predict national elections, which interview no more than 800 voters out of 100 million registered nationally, even interviewing so few voters, the national polls have a 4.5% error factor and have never failed to accurately predict a major election.

Q: What is the cost of a Market Profile Study through MKJ Marketing?

A: The cost of a standard study that meets the requirements of most of our research clients, plus any additional questions, rarely exceeds \$14,000.

Q: Will I be able to make sense out of the research report or is it just a lot of numbers?

A: The research report is created in such a way as to not require interpretation. Each question is presented in terms of why it is asked and what is expected to be learned from it. The results are presented graphically and explained narratively in non-technical terms.

Every research report is read by Glenn Gould, and presented to the client by Glenn or a knowledgeable MKJ Marketing Manager. A research analysis and recommendation report is created, which includes a communications plan detailing advertising, media strategy, and public relations recommendations.

Yes!
Tell me more...

Mail, fax or call.

MKJ

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Please provide me with more information on the Market Profile Study.

Firm _____

Contact _____

Address _____

City _____ State _____ Zip _____

Phone/Fax _____

Email _____

Is the study a Current Trade Area Study

or a Prospective Trade Area Study (for a facility yet to be constructed or acquired)

The best time to telephone me is during the hours of _____ & _____, on these days:
