



FDC 15 – An Interview with Raymond Aikens

<http://www.funeraldirectorschat.com/2011/raymond-aikens/>

Nancy Burban: Hi, I'm Nancy Burban, your host of Funeral Director's Chat. A podcast providing funeral professionals with insight to current industry topics, news, and trends. Today it's my great pleasure to have my friend, Raymond Aikens, from the Chicago area join me. Raymond has quite a resume here. He's an adjunct professor at Malcolm X College in Chicago in mortuary science.

He has an MBA in finance and economics. He has been an investment banker for the state and government finance sectors. He has taught - besides Malcolm X College, he's taught in the public school system. On top of all that, if that isn't enough, he is a second generation funeral director. So welcome, Raymond.

Raymond Aikens: Hi, Nancy.

Nancy Burban: And you wanted to talk a little bit more about your background?

Raymond Aikens: Well, I guess it will come out in the course of the discussion. I don't want to seem boastful. I want to avoid sounding arrogant. I just want to say what I do. It's a humble attitude that I bring to the table. I'm always curious about our industry and where we're going. I think it's important to understand and watch for trends. I do a lot of work in that area and I can talk about maybe a wide variety of things, if you want.

Nancy Burban: OK. Great, Raymond. Well, today we're basically going to talk about two things. One is change. And you know there's a lot of change going on in the funeral service industry. There has been for some time. Funeral directors are really interested to find out the financial aspect of the changes that are happening. You're fully qualified to speak to that, being a former investment banker and your background in finance.

The second thing that we'd like to chat about is the impact that African American funeral homes have on funeral service. So let's first talk about change, Raymond. What do you say?

Raymond Aikens: Well, I think about this all the time, because I started out in the funeral service at the early age of seven years old when my dad was a funeral director and took me into the funeral home for the first time. Now, that means that I'm in my 60s now and that means I've been around funeral service for over 50 years. It's gone from a love, hate relationship to one that

just fascinates me to no end. I've seen or observed over all this time a change, but nothing like what we're seeing today. This is so tumultuous.

What's going on in our industry that my fears are that unless owner operator takes a very proactive approach. And for the first time, I think, employees as well, they have a vested interest in seeing their owner operator survive. I'll get more into that later on, but so many things are converging all at one time that I liken it to the deck chairs on the Titanic being rearranged.

Nancy Burban: That's a good analogy and it's a new operating environment. Many of the traditional roles that we've grown accustomed to have changed, haven't they?

Raymond Aikens: Absolutely. Against that backdrop is going back to - I think I read just recently going back to the 1980s. From the 1980s until now, the death rate has declined by some 30 percent. The last 10 years, according to one industry watch group, the death rate has declined every year in a row. Now, you can imagine the impact that that's going to have on funeral profit margins. Also, however, there's been this tendency or this trend with movement to alternative funeral services, which is knocking out in the product mix the percentage of traditional calls. Now, traditional calls were historically the bread and butter of our industry.

As that percentage shifts, the proportion goes from traditional to non-traditional. David Nixon, I don't know if you know David Nixon. He's a fairly noted industry analyst.

He thinks in the next year and a half or so that non-traditional are going to outpace the number of traditional calls. Now, the profit implications behind what we've just mentioned are just horrendous.

Consider from this standpoint also, because it's something that my own family is having to deal with. We've seen this shift come about so fast and yet the sunk cost we've made in our facilities, our plant, you might say. We have a business that was heavily geared toward serving traditional families, meaning, burials and embalming. Our facilities really reflect that.

We are no different from any other practitioner out there who, as the trends switch away from traditional funerals, we find ourselves receiving a lower return on that investment. That complicates the profit forecasts.

Then, of course, you have in the current environment cost rising relatively fast, faster than revenues, in some cases, in many cases. So if you project outward just say over a period of five years and you've got alternative services growing, you've got inflation factored into your operating costs. This is a classic squeeze. I'm really afraid we're at a juncture where we may have some firms not survive this transition.

Nancy Burban: Right. It seems that way, but isn't there an industry shakeout looming on the horizon?

Raymond Aikens: I think so. I think very much so that's the case. We've got our independent operators who at one time were the... I haven't seen any recent statistics, but certainly they are a significant segment in the market. How many are mom and pop, I really can't say. But I do know

that the level of sophistication required to operate the funeral home in the past is not as demanding as it is today.

Thus, if you had someone who was happy, a nice growth, and operating their funeral home oblivious to what was going on in the larger economy. You wake up one day and you find out, I don't like this work anymore. I'm under a lot of stress. I'm trying to maximize my revenue. I can't grow. You look at what customers want today, too.

This is the other thing. If you haven't made investments in your facility in the past, people like a large location that can hopefully accommodate let's say a dining activity, ample parking off street.

They want in this case; this is something we've seen a lot in the African American segment. That is as black people have moved up the economic ladder and moved into the corporate sector and taking jobs.

If there's a death in their family, they're likely to have the funeral attended by their white counterparts at the job. So you don't want to use the old neighborhood funeral home that, let's say, is a little antiquated.

When I say antiquated facility, I mean a neighborhood funeral home. What have people done? They've relocated out of their neighborhoods. They're dispersed all over the country.

So you want a modern facility because, let's face it, a lot of this deals with impressing the people who attend and that becomes a big factor. So all of this has impacted funeral service at a time when a defensive strategy, if not implemented years earlier, or if you've not stayed on top of it, you find yourself caught in a confluence of negative trends.

Nancy Burban: Now, we had spoken another time about the trends. You had emphasized that if you live and work in an urban environment, the number of calls that you're going to be receiving are going to be much higher than if you live in a suburban area or you have a funeral home in a suburban area.

Raymond Aikens: Absolutely. You know, Nancy, at one time I worked for a corporate acquirer and we tended to use approaches that were in line with my background in corporate finance. We were able to access local data about a marketplace and we did do studies. We did an acquisition in Chicago in a neighborhood that was changing, but was becoming predominately African American. But it had a large heritage clientele of, you know, a majority culture are white. So our goal was to keep the majority culture clientele and grow that as well as tap the change demographics in the local area.

We had acquired a facility in Chicago on the south side. We wanted to know what was the nature of our market. What information could we glean from looking at some of the databases that were accessible?

One of the things that really struck me was when we looked at owner operators in our market, and we focused on the firms that were doing the significant volume of calls. What I mean by

that, I would say at least 250, 300 calls and up. We were also looking at the suburbs as areas of possible expansion.

Our research concluded that the suburbs were not at all right to look at from a standpoint of investment at that time. The reason was the demographics.

A typical suburb, at least out in the Chicago area, what we found was that they were occupied--the residents were mostly starter households. In other words, a husband, wife, and a child. We had information on income. We had information on the number of people per household.

When you see things like average age 23, or 2.1 residents per household, basically you were talk about a nuclear family and a family with maybe a small child. Now, contrast that with a zip code or census tracks in the inner city. The average age per household was significantly higher, in the high 30s or going into the 40s.

What that tended to indicate in addition to the fact that we had maybe 2.8, 2.9, 3, 3.4, sometimes even four residents per household. You were talking about a situation more than likely where you had a nuclear family and grandparents in the household at the same time, or just a high concentration of people who were significantly older.

Now, when we correlated the high volume locations with the census track data, it became clear that where you could probably get the highest return on your investment would be by not locating in the suburbs, but concentrating your investment in the inner city areas where you had those high population concentrations.

We concluded that Chicago was open. In other words, no operator had a control over the market. New entrants could come in and quickly grow their business by really taking market share from the other local operators. In other words, there was no person on the basis of reputation, stature in the community, or whatever who had a hold on the market share. Therefore we've concluded they were not a threat.

Nancy Burban: So there were no significant barriers to entry as there are in the south, where you have maybe fourth, and sometimes even fifth generation funeral directors.

Raymond Aikens: Exactly. I'd heard so much about that and I never had the chance to observe it as long as I've been in Chicago. But I do understand in parts of the south, there are operators who are like either legendary or so well respected by the community that they really don't have to go out and market. At least back then they didn't have to. Now, whether or not that's changed I suspect nobody can afford to just sit back on their laurels and expect that the business is going to come through the door and continually come in at a rate that would allow them to prosper.

Nancy Burban: Now, here's something that I'd like to run by you. There's a belief, I think, that African Americans spend more on funerals than Caucasians or any other majority race.

Raymond Aikens: That, too, I think is an urban legend, Nancy. I remember years ago, like back during the 1990s, when I was expanding. I guess my activity by becoming involved in a lot of associations and what have you and I was reading articles about the industry. You know, I felt

we had, and I say we. I felt African Americans had a special place in funeral service, because it was widely presumed that African Americans spend more money on funerals than, let's say, the broader, or the majority culture.

By that, I mean whites. To the extent that was true back then, it is certainly not the case today. There was a period leading up to 2006, 2007, 2008 where spending in this country was just on a significant tear. It had been on a growth trend going back several years.

I really believe now in hindsight that many operators took benefit from this surge in spending by the revenues that they experienced in their funeral operations. Thinking that they were doing things right and that this would continue.

However, in 2008, the situation from a financial standpoint got pretty dire, and the country came very close to an economic collapse. Credit, which is now without being too technical, incomes had been flat to stagnant for well over a decade. Yet, spending continued on a tear.

What that indicated was that people were spending with credit. They were using credit and credit was freely available.

After 2008, the credit spigot closed and with that there was a significant downturn in spending. Again, without being very technical, you could see the lack of spending reflected in the expansion of the government fiscal deficit.

In other words, the administrations had tried very hard to offset the drop in spending by substituting deficit spending. It gets even worse than that, because the savings rate prior to the 2008, I call it a crash, the savings rate had dwindled down to approximately zero.

It has recovered spending has somewhat stabilized. But, in the last two, three years, when you look at the source of that spending, you find that 85 percent of the support has come from government transfer payments.

In other words, we've had people on extended unemployment benefits. We've had work ready programs to help offset the collapse. Believe me, it was a major collapse.

That's the key that I think a lot of operators in our industry maybe have never paid attention to. But good times bear a high correlation with the overall level of spending in the U.S. economy. In other words, we look at aggregate spending.

The economy is what, 70 percent kept alive by consumer spending. Easily 60 percent of the households in the United States right now are financially strapped in one form or another. They're afraid they may lose their jobs, so they've held back on spending.

There's another 20 percent that when we combine that, I'm talking about 80 percent of the economy. That's adding the 20 percent that represents the middle class. They're in just as bad a shape because it is the middle class who historically finances by way of credit.

They've got a mortgage on their house; they've got kids they're sending to college. They've got automobile notes. They own several or so credit cards.

The source of their cash flow was also the growth and the value of the home. Now the home prices have collapsed, they've been cut off. The value of their real estate holdings and far more people have real estate as a key component of their retirement or investment portfolio, as opposed to stocks. If they are, their stocks are usually in a 401K or something through their job.

So when you have a job loss, you have a decline in home prices, you get layoffs. A huge number of people are either unemployed or underemployed. This constitutes a significant drag on spending.

As a result the revenues, we're seeing cases--I've talked to florists, I've talked to the people who will print the bulletins or prepare the obituaries for funeral services. I talked to the owner and operators of livery services. They're all seeing collapse in their level of revenue.

That collapse, unless we have a recovery, it's very likely that spending could stay suppressed for years. The impact from that is going to mean even more competition in our industry as owner operators scratch their heads and figure out how am I going to survive?

Nancy Burban: Also, I think, a lot of people are not carrying life insurance as a priority as they did years ago. Because if you're unemployed, you have to cut back on your expenses.

Raymond Aikens: Yeah, and not only that, we're finding a higher incidents of loans outstanding on life insurance policies. I'm sure, again, that's just a reflection of a level of economic stress that's out there. A person comes in; they've got an insurance policy. You call to verify the status of the beneficiary and you also discover at the same time that there's a loan outstanding. There's not as much available relative to the face value.

Nancy Burban: If any at all. I mean, a lot of people don't have policies at all.

Raymond Aikens: When you talk about policies, I think inevitably you're going to be talking about health insurance. That is another really sour spot with our economy. Many people have lost jobs and therefore don't have health insurance. If they're compelled to have health insurance above all else, then the cost of the premiums are significantly higher.

Even where you've got in our industry, owner operators who have health insurance benefits for their employees. They've continually had to up the copay or do other measures to help carry the insurance for their staff. It wouldn't surprise me at all if we have a lot of funeral operators out there who offer their staff no health insurance whatsoever.

Nancy Burban: OK. So, this is a lot of gloom and doom.

Raymond Aikens: Right.

Nancy Burban: Is there a golden opportunity wherein survival will be a function of how swift companies make the necessary adjustments?

Raymond Aikens: Absolutely, Nancy and this is the whole thing. I sometimes may come off like a doom and gloomer, but I've looked at the projections. I'm telling you, in another 10, 15 years or so, this death rate is going to take off like a rocket. We're going to see a huge surge in growth as boomers, people like myself, move into the extreme age brackets. I think 2025, I'm

doing this off the top of my head, but I'll say this. The latest statistics estimate that one in five people in the U.S. population will fall into the category of oldest old. This is coming a generation away. The growth is going to be fantastic.

Looking at it from an opportunistic standpoint? This is the perfect time. If you're an owner operator and you want to be there to capture all of that growth, now is the time to stop being a mom and pop.

Stop being lazy, but actually begin to institute some strategic planning. Bring that into your operation. Manage your costs and prime yourself so that you're poised to take advantage of all that growth.

It's not going to be easy. If people have been lazy and if they don't have a great deal of financial background, I've always said that it's the associations right now who can come to the rescue of their own counterparts.

We've got to begin educating and training people. At least those who want the help and how they can best manage their survival going forward, because I really do. We started out talking about shakeouts, and I really think we're going to see some attrition going forward.

Already, I forgot, I think it's the census bureau. They do surveys in our industry every five years. The most recent is from 1997 to, I think, 2002. You can already see the attrition.

Now, if I said 2002, that meant that a later survey, which is in the process of being published, and it should come out sometime maybe this year or next year. But I think when those numbers are published; we're going to see an even greater level of attrition out in the marketplace. It's the worst time to sell a business if you're an owner and want to get out, because the value of the asset has been impacted by the severe economic downturn.

Often times what someone invested in a way of a lifetime into their property, they're not going to receive the dollar they think they are properly due. What that means is you need to focus on how to survive so that going forward you maximize the value and you have something of value to pass onto your heirs.

So what am I saying? I'm saying to some extent many of us are stuck in this business. We're at a time when we want to get out but to get out right now you would be--there's a term we call "leaving money on the table" meaning you wouldn't capture the maximum value that you think your property is worth.

Nancy Burban: Well, Raymond, what are the factors that you look at in determining the likelihood of who is going to survive this and who is going to fail?

Raymond Aikens: You know, Nancy, I'm going to put in a plug for you right now because thanks to you, and you've put me in touch with all the different funeral chat services that we have. I've heard people talking. I see some guys and women really tapping this thing right. I don't know if it's OK to name names. I won't...

Nancy Burban: Sure. No, go ahead.

Raymond Aikens: Well, McDougald, I really like that guy. He's taken his caskets out of his showroom and uses a digital display. He's used the freed up space to put in repast facilities. Of course, he's got the bedroom which is a really popular concept and not very many people have heard about it. Are you familiar with what I mean by the bed?

Nancy Burban: Oh yeah, absolutely. Beacham's a good friend of mine.

Raymond Aikens: He always strikes me as a leading edge operator and a prototype of the person who's poised to survive and go through this period. Again, when we come out of this, operators like Beacham will probably have had opportunity to expand his locations if he wants. Because over the next 10 or 15 years he's going to have offers from people who want to get out and it would be a buyer's market. He would be operating in a buyer's market.

Now if he chooses to stay where he is and grow his business, he's doing everything to maximize his revenue, and that's my assessment.

Nancy Burban: Right and I think we do have to embrace green burials and we have to embrace other types of ceremonies that baby boomers are bringing to the table and demanding. They're demanding personalization and if we don't provide that, you will be left behind.

Raymond Aikens: Isn't that the story of the boomers? I mean they've always upset the apple cart. As they've moved through life, everywhere they've gone they've left destruction of the old way and created something new. I see no reason why death care is not going to follow suit.

Nancy Burban: Absolutely. Now, our business is supposed to be recession proof, isn't it?

Raymond Aikens: That's another urban legend. Well, we're hitting them all today. [laughs] When you look back during the '80s, again, when we had a much higher death rate, when you look at the operating margins in our industry they were 14 percent or so. However, from that point on to now they've been reduced by almost a factor of two-thirds. So either the drop in spending or the rise in operating costs; something is happening in our industry that is making this model less profitable. We're seeing attrition now.

In a healthy industry you always see new entrants jumping to go in and the competition getting even more fierce. Certainly the competition is fierce but the number of operators out there is in decline.

Nancy Burban: Right and I think that you had brought up Beacham McDougald and he's in Laurinburg, North Carolina, and he does some very clever things.

Raymond Aikens: Yeah, I agree.

Nancy Burban: He's very compassionate. He has the bedroom situation where if somebody comes in and they ask for a direct cremation, out of his own pocket he will wash the body, and partially embalm, and put them in the bed for a short visitation. Nine times out of 10 somebody comes from out of town and they say, "You know what, let's go ahead. Let's go ahead and do a visitation with Grandma." But if they don't, he will still give them a direct cremation and he won't charge them. So he's known for his compassion.

He also has a full kitchen and dining room area and so he's actually selling other things. I know a number of funeral homes in the Northeast are actually installing Starbucks and Seattle's Best. So during visitation hours they're making revenue on coffee and croissants and the like. So I think a lot of funeral directors are looking to increase their revenue by offering other products and services.

Raymond Aikens: Did you see the article about the operator; I think it was in the Boston area that opened a pub in his garage? [laughs]

Nancy Burban: Yes, I did. Well, I don't think you can do that here because I know in New York you can't serve food or drink.

Raymond Aikens: Yes.

Nancy Burban: In Connecticut you can serve food but you can't serve drink.

Raymond Aikens: Well, my point was the creativity.

Nancy Burban: Yes.

Raymond Aikens: They're looking at every angle. These are guys who are going to survive. Not the ones who sit back and complain and say the industry or the business sucks. When it comes to your survival, the race goes to the swift.

Nancy Burban: Absolutely. Now what about education? Do you think it's important to be educated and what level of education do you think is viable for mortuary students today?

Raymond Aikens: The Funeral Service Foundation survey from last year that I really studied hard. I looked at their data and it's really interesting because they make several conclusions. One is that the outlook for the future is, as we've already talked about, there will be less operators. There will be more funeral homes closing in the future than there will be funeral homes opening. That means that from an employment standpoint, the job market becomes kind of iffy.

Yet, in the same study they say at no time in the history of the service has the demand been for skilled funeral service professionals. That is people who are adept in the social area, people who use the latest techniques instead of being order takers. I'll give you an example.

When I say order takers that's the old model where the family comes into the funeral home, they sit down before a director, the director pulls out all the forms and starts asking questions. Give me the vital statistics, what day you want this. In other words, that's an order taker.

The new funeral industry professional is going to have to be someone that when the family comes in, they pick up no pen and paper. They spend at least 15 minutes finding out about the deceased family. What was their love like? What did they like? As the family begins to tell their story you get all kinds of ideas as to how to show them options that they might very much appreciate.

Right now in our industry the core professionals tend to be seniors. They tend to be people who are not very versed in this new technology, these new ways of interacting with families.

So the young ones, the people who are on top of that, who can demonstrate some understanding, who are confident, and who are sales oriented, that's who I want in my business. This is why for the first time the employee and the employer, their interests have converged. If you have an employee who thinks that his boss or her boss sucks, is unfair, and the working conditions are deplorable, how is it possible that this operator has got a staff person that is committed to seeing them grow and prosper?

So what I'm saying is that as the conditions get more competitive, as operating costs make an owner-operator have to look at payroll and maybe some adjustments, it's going to be the person who's a gung ho individual. Who's got the attitude, who reads up on our industry, who studies the literature, attends seminars, involved in the community, and looking at new ways to expand their outreach.

That individual, regardless of how many years they've been in the operation, becomes a more critical resource than a person who's been there let's say 30 years. It's just going to be, I think, that cut throat sometimes out there.

Nancy Burban: Right, and people who have a passion for the business and maybe they embrace video streaming and other new technologies which can increase the revenue of the funeral home. Those are people that you really want to have around.

Raymond Aikens: Right.

Nancy Burban: I would think.

Raymond Aikens: You've got to be committed to growth and you've got to examine each and every avenue.

Nancy Burban: Right, and a lot of funeral homes are trying to climb up the Google ladder and get on the top of the first page. But, if they're using answering services that answer on the fifth or sixth ring with a very sterile message that they'll get back to you, people are going to go down to the next one on the list and continue calling until they get a live person.

Raymond Aikens: Yeah, you said something really important. Our funeral home, we've been around for over 60 years and do you know we still have a physical person on the property 24/7? We have two locations and we do not use an answering service whatsoever.

Nancy Burban: That's great.

Raymond Aikens: Yeah, yeah. You know how much that costs? Can you imagine? But it's a cost that we feel that's well worth it. Then you mentioned getting your facility to come up on page one of an Internet search, that is so amazing. But then when you think about it, I think I had an article I shared with you real recently.

People shop on the Internet, they pay their bills on the Internet, they meet other people on the Internet. They get information on the Internet, they read books on the Internet, they join chat rooms and what have you. The Internet has become such a part of their life; you would virtually have to be a Neanderthal to not consider that funeral services belong in that whole milieu.

Nancy Burban: Right. If you get a good feeling about the website and you feel like oh, these are caring, compassionate people, they've actually put up some articles for me to read so I can get educated when I make this very crucial decision. The longer you stay on the page, the more likely you're going to receive a call. If you receive a call, then it's up to the person answering the call to kind of make the person feel comfortable and invite them to come in.

Raymond Aikens: Absolutely. I'm doing work right now with several end of life care organizations and a research institute in the Chicago medical complex. What we're doing, we're looking at a number of marketing affiliations, believe it or not. Now I've done this before with a large hospice operator in Chicago. When I was managing a corporate facility I actually had at one time, we didn't have a big staff, maybe less than a half a dozen, but even our janitor was a certified hospice volunteer.

There was a period of in about a year where 20 percent of our volume was hospice related calls. I mean, if there was any funeral home that was making inroads in the hospice arena, it was our facility.

But I embrace hospice, I felt passionate about it. I was present in local meetings. I had talked to ministers. We had tried to assemble coalitions.

So we had nurses and other volunteers who really referred us, but all we wanted to do was show how good our service could be. In the end, everything is a profit making, but there was absolutely no intention to exploit.

This was a market that if you really think about it, Nancy, once a person enters into hospice, they've been pronounced terminal. Right?

Nancy Burban: Right, absolutely.

Raymond Aikens: I don't mean to put this in a negative position, but that's an opportunity to come closer with a family who might ultimately result in a call coming to your facility. But the philosophy that we adopted was not that this was a way for us to make money. We wanted people to see what we could do and what we could offer. If we kept our heart in the right place, we figured the nickels and dimes would take care of themselves. That tended to be the case. I'm still very active in the hospice, end of life community, and trying to do new things.

Nancy Burban: Well, in traditional selling they say people don't buy product, they buy from people. They buy from people they know and people they trust. If you engender trust in the hospice families and they see that you can provide a great service, they're not going to shop around. They're automatically going to think of you at end of life.

Raymond Aikens: Yes. Yes. I've had many cases where my intention was to be a--I'm a former hospice volunteer. I had some cases where the survivors or the caregiver actually had questions and they say, "Well, I understand you're a funeral director. Can we sit down and talk about a few things?" But I didn't do this with the intent. I made it clear that I could provide information, but I want you to understand, I'm not trying to hustle you. There were a couple things that my experience as a hospice volunteer and funeral director got me into trouble. But I learned a lot about the business and how best to become close to that demographic.

Nancy Burban: You're adding a little levity. Didn't you once drive up in a hearse?

Raymond Aikens: Exactly. I was doing something and I was in the hearse on my way back to the facility, but I was close by the nursing home. I hadn't seen one of my clients in a while and I said let me stop by and visit. So I pulled the hearse into the parking lot, got out, and went up to the front desk and I asked for this individual. Immediately behind me the person just screamed! It turns out it was the patient's daughter. She had seen me pull up in a hearse and she thought her father had died and I was coming there to pickup the body.

Nancy Burban: Oh, that's terrible.

Raymond Aikens: Yeah. So I've learned never do that. [laughs] Never drive a hearse to visit, you know. Don't combine the two activities, yeah, to keep them separate. I'm trying to think. There was another story where I kind of got into a little bit of a pickle. Oh, and that was when a family, the caregiver asked, had questions. We went to the lounge in the facility and sat down and I explained things for her.

Then she asked me for a card. Well, I gave her my card, but one of the hospital workers or nursing home workers saw me passing the card and put in a complaint saying I was at the facility hustling bodies.

So again, it was a new area, but I did make, I think, significant inroads. I much better understand the hospice protocol. That's an area where I'm right now in the process of really doing, I think, some leading edge work. I hope to share further with people as time goes by.

Nancy Burban: Right. That's an area that, I think, a lot of funeral directors can explore; hospice.

Raymond Aikens: Hospice, I wholeheartedly endorse. I can't believe we aren't more involved in an industry like that. Again, I guess it always becomes an ethical question. If I enter this, are people going to think I'm trying to hustle bodies?

But who better, is my argument, to discuss aspects of death and dying and a funeral service to a funeral service provider. Who also, in addition to that activity, not only endorses proper health care at the end of life, but encourages activities that prolong life at the same time. I think that's an area that we should be in, in full force.

Nancy Burban: Right. I've spoken to other African American funeral directors and there were a few that are actually, and I think this is quite common, correct me if I'm wrong, that are also ordained ministers.

Raymond Aikens: Absolutely. You know if you've got the ties with our community in the church. You see, Nancy, you bring up another good point. This is exactly why, with all the things I do, I look at aggregate or macro activity. However, all markets are unique. Then, when you have a niche market, or a niche market, which is what the African American segment is, it's because you find totally different drivers of revenue, or totally different kinds of requests for services. We differ significantly, and this is the cultural aspect I'm addressing from. Let's say, the broader or the majority culture market.

So I look at the macro data and at the same time, I collect data on my particular unique market segment. I try and determine what drives the growth.

Now, why do I say that? It's because, and I'm a funeral celebrant. I'm a certified celebrant. I've attended the celebrant training and I've talked to enough operators out there in the majority culture and they all say the same thing.

Religion, a lot of people are disingenuous about their religious background and describing themselves as being spiritual. Therefore, there's a high demand for services that we call humanistic. Those are services that are devoid of any religious aspects.

But in my community, in the African American community, it would strike some clientele as sacrilegious to even think about having a funeral service without a minister present. Now, very recently, I've had one or two. But they are infinitesimal relative to the volume that we do annually. That is the services where there's no ministers present.

However, that's a totally different driver in the majority culture, or white segment. So obviously, a lot of what I do is to look at data and look at national trends. Certainly what's happening in the broader market, or with the broader culture, they may represent things that are coming down the pike and I'm likely to see more of.

In which case, I'm making every effort to stay atop and study and see in some cases how it can be applied in my own particular market segment. That's certainly paid off in the funeral celebrant area, because I've developed especially.

Again, I really want to be humble when I say this, but it has been so successful. Where we've taken the celebrant aspect, the planning aspect, and I've Africanized it.

[laughter]

Raymond Aikens: Gosh, we get unsolicited comments all the time from families. It's really, as far as I'm concerned, the highest possible compliment I can get when people just walk up to you and say, "That was a magnificent service. You guys are really excellent. I hope I don't see you again, but if I ever have the need, you can be sure I'm going to call you."

Nancy Burban: That's wonderful. Raymond, can you share a couple other areas that African American funerals are different from mainstream, for lack of a better word?

Raymond Aikens: Well, you started out talking about the ministers. Boy, that's a potent combination in our community, to be a minister and a licensed funeral director. As the congregation grows, you've got an immediate hold on that market. That doesn't have to be in all cases a hustle. It really doesn't have to be. If people love their pastor, in our community we tend to put a lot of faith and confidence in our religious leaders.

What is that saying? We're talking about trust and trust becomes an important matter. In fact, I think whether it's the first call or from the time you sit down with the family, trust is something that has to be maintained at all time. Because only with trust are people willing to go along with you, listen to what you have to say, and follow your suggestions without thinking you're trying to just scam them.

We have some students in the mortuary school that are older, but who are members of large congregations. They have rightly mapped out a strategy. Then I have a lot of confidence that it's going to work. That they're going to, once they become licensed, let it be known throughout the church.

This can be done from various aspects. You can have a health ministry, or death and dying ministry which they can be a part. They can do a lot of things. Over time, the minister and the congregation will come to consider them as someone in the family I can go to in the event I have a need.

That is a very crucial, I think, relationship in our community to have a church tie. I love doing services at churches. I prefer that almost to the chapel, because I always meet new people. I get involved with the ushers and staff there.

I beg the minister to ride with me to the cemetery, because then I've got his or her attention for the round trip. By then, I can generally end up being very close friends and a confidant. I always say, when you come down to sell chicken dinners, here's my card. You be sure to give me a call.

Nancy Burban: That's great. Well, one thing I know, and maybe, I spent some time in the south when I went to college. They used to call it keening.

Raymond Aikens: Keening?

Nancy Burban: Yeah, keening when African Americans, they have this very dramatic expression of sorrow. Overall, it's a much more dramatic service with a lot more emotion and a lot of music than a traditional white service would be.

Raymond Aikens: You know, I've got to look up that term. I may have heard it before, but it's not that familiar. It's not common in our vernacular in these parts. But certainly in the case of an African American funeral, in any observer, any attendee, in more cases than not, you're going to see something very emotionally charged. The minister, there's always a message. In many cases and alter call. The crowd is worked up into a fever pitch on the basis of vocals and testimony and things of that nature. So yeah, it's very much like a revival in many aspects. But in our community, that's always been the case, going back even to stereotypes of black folk in religious settings.

It's somewhat exaggerated, but I think the point they're trying to make is that we're a lot more emotional, a lot more active. Kinesthetic, as they call it, if you will. Then you might see in traditional, with the exception in our community of the Catholic Church.

Even then, I said this so quickly. Even then the largest Catholic churches in Chicago would generally be a combination of the Catholic liturgy and it will be Africanized, as I call it, to reflect the cultural tastes that are prevailing.

Nancy Burban: So it is tailored to the demographics of the congregation?

Raymond Aikens: Absolutely. Absolutely.

Nancy Burban: I know if you go to Haiti, I spent a lot of time in Haiti.

Raymond Aikens: That's right. That's right, I remember.

Nancy Burban: There's a lot of Catholic conversion going on down there. But it is nothing, nothing like you're going to see in a Catholic church in the United States. Because from the African roots, they have a lot of singing, it's quite joyous.

Raymond Aikens: Much crying, maybe. Yes.

Nancy Burban: You do still have the saints and you do have the core of the religion, but it's nothing like the Catholic services. Catholicism used to be extremely repressed. [laughter]

Raymond Aikens: You could say that.

Nancy Burban: A lot of the Catholic funerals I remember going to as a child. They would say, "Be quiet. Be quiet. Don't cry. Put the handkerchief up to your face." They did not want an outpouring of grief, especially in the church, because it was sacrilegious. Where as I've been in black churches where it's the exact opposite. If you don't really that you're crying and upset, they don't think you love the person enough.

Raymond Aikens: Absolutely. Yeah. There's a release and it's a ceremony. Yeah. It's culturally specific.

Nancy Burban: Your wife is involved with funeral services as well, isn't she?

Raymond Aikens: Actually, I'm the in-law in the family business. This is such a weird story. The original founder had a couple boys and my dad hung with them. They went off into the military. When they returned from the war, the founder, who was then working for another facility, had made up his mind. He had gotten to the point where he wanted to open up his own business. He wanted his boys to go to mortuary school. Well, my dad went with them into mortuary school.

That relationship started way back in like the late 1940s. So I've always been around my wife's family. They are the owner and operator of the family business that I'm referring to in this discussion.

So again, to make a long story short, I grew up with all the grandkids. I spent nights there as a kid working with my dad. Really, I would spend the night there watching wrestling and things like that. But I spent my time around funeral homes, but it was my wife's grandfather who was the founder.

Now, growing up with all these kids, I didn't even know the woman I married, I didn't even know she existed. I was well into the adulthood and working in the business when she came from nowhere to work back in the operation and we met for the first time.

To make a long story short, she and I started working at one of the satellite operations. One thing led to another. Sparks started flying and the next thing I know, I'm married to her. It's been a great marriage; very happy.

Nancy Burban: What a beautiful story. [laughter]

Nancy Burban: Now, are any of your children in funeral service?

Raymond Aikens: There's three generations. I think last time I talked to you I mentioned five. That's not, no. We've been around 60 years, so we've got the next generation in the pipeline. We've got one in mortuary school. My youngest grandchildren I've taken--the youngest, he was seven years old, about my age, when we bought him the suit and I've taken him on funeral services with me. He has a great time.

I'm trying to sensitize him and maybe put it in a more positive light than what I experienced as I was coming up. The negative part was that my dad was just never home. We talked about that in recent days and weeks. There's going to be a picnic, a fishing outing, and then something comes up and you've got to leave. My dad was just never around.

The same thing with my in-laws, they grew up the same way. I think their parents weren't around so much so that I really believe my in-laws made a vow that those that have children that they were going to spend, no matter what, they were going to be around with their kids and be close and nurture them.

That's one aspect of our business that I confess I don't know all the ins and outs of it. But, I'm trying to keep as much of the good and diminish as much of the bad as I can.

Nancy Burban: Oh, no, you're doing a great job. Now, where do you see yourself going in the future, Raymond?

Raymond Aikens: Well, again, this has come from my hospice work. I've been around enough patients in hospice. I've read the literature. I've studied the books or the professors, the people that teach in that area. If it's one thing they all have in common is that people at the end of life, if they have one regret, it is that they did not spend more time with their family. I think that point was driven home to me to such an effect that I really am at this stage in my life. I've said, "OK, I've had my shot. There's so many things I've accomplished in this industry. So many things I can be proud of. But I much prefer now to pass the baton on and let the young people do that."

I consider education important, so that's why I enjoy my job teaching at the college. I consider innovation important, which is what I'm always working on in this industry so I can help our family business survive.

Now, the other time, I B-line it to come home and to be with my family. So, going forward, I want to be a good servant. But more than anything else, I want to be a good householder.
[laughter]

Nancy Burban: Now, that's great, and you are. You're influencing a lot of young people and in a very, very positive way, as well as keeping your family funeral home alive. Now, what's the name of your family funeral home? You have a couple locations, right?

Raymond Aikens: Yeah, we have a location, again, Chicago. Where the African Americans are concentrated is mostly on the Chicago south and west side. We have locations in each of those areas. The name of the firm is AA Rayner and Sons.

Nancy Burban: Raymond, thank you so much today for discussing all the different changes that are happening in the funeral industry, especially with a financial perspective. And the different ways that African American funeral service is a little bit different than mainstream. We've really appreciated listening to your views and getting to know you a little better. Now, if our listeners want to get to know you a little better, can they contact you on FaceBook?

Raymond Aikens: Well, they can find me on FaceBook. My last name is Aikens, first name is Raymond. I'll be happy to establish contact. We talked about this in the past, Nancy, and as you know, I would love to give our website. But what I don't like about our website is that it is hosted by a national vendor. I've tried to do things on the website and I've been unable to. So this summer while I'm off away from school, and based on some private discussions that you and I have, the goal is to work on a free standing website and really tap all the potential that's available there. And you know what? Can I mention one other thing?

Nancy Burban: Sure, go ahead.

Raymond Aikens: I don't know if you saw the message, but my wife dragged me to a seminar on search engine optimization provider that does training in that area. I say dragged me because I thought I'd done a lot of research in that and my project for this summer is to be able to develop an independent website and tap some of the outreach opportunities to take advantage of. This technology, search engine optimization, has evolved way beyond what I was aware. Initially, I didn't think it was anything I could learn, and what I found out was something totally different. I don't know if you're familiar or have heard of geolocators?

Nancy Burban: Sure.

Raymond Aikens: OK. Well, I want to reach the customers who are within a certain radius of our facility. When people do searches and whatever keywords that I select, I want my name to come up on page one. I'm not as interested in coming up on page one on a national. That doesn't make any sense.

Nancy Burban: No, basically you want to come up in the Chicago area.

Raymond Aikens: Exactly.

Nancy Burban: All right, Raymond. Well, thank you so much. The listeners can get in touch with you on FaceBook.

Raymond Aikens: On FaceBook, for now.

Nancy Burban: And it's Raymond and the last name is Aikens.

Raymond Aikens: Thank you. That's correct.

Nancy Burban: I want to thank you so much for spending this time with me today.

Raymond Aikens: Nancy, thank you. [music]

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