



## Executive Summary

Heaven's Pets is a pet death care service that offers private cremation and memorialization services in New Orleans, Louisiana. In the fall of 2018, the company decided to radically drop its prices as a reaction to a national competitor entering the market. During the first half of 2019, the company suffered from a 10% decrease in revenue and a 55% decrease in net income when compared to the same period in 2018. Consequently, Heaven's Pets hired David Paul in August 2019 for High-Performance Executive Coaching, Strategic Implementation of a Management System, and Business Intelligence and Design Integration. David steered Heaven's Pets to a 29% net income margin in January 2020.

## Problem

Heaven's Pets was one of two primary pet cremation companies in New Orleans. Between 2008–2018, they acquired 50% of the New Orleans' pet cremation market share.

Heaven's Pets prided itself as being the high-end boutique pet death care service, offering 24-hour support, nationally certified staff, and a full-service funeral home located in a New Orleans Cemetery. The private cremation process begins when the referring veterinary clinic calls Heaven's Pets to request a cremation service for a pet parent. Heaven's Pets then sends a driver to pick up the deceased pet and transport the pet to the funeral home. A pet death care specialist then contacts the family to confirm their final wishes. The pet then is professionally cremated and returned to the hospital with a cremation certificate, urn, and keepsakes. Heaven's Pets maintained a steady year-over-year growth of approximately 20% before late 2018, when Gateway Inc. acquired Agee's Pet Crematorium, Heaven's Pets' most significant competitor. Gateway is a large international competitor that has raised considerable growth capital. Following the acquisition of Agee's Pet Crematorium, the management of Heaven's Pets noticed that the referring veterinary clinics stopped sending business.

The management of Heaven's Pets strategically responded when they realized that Gateway offered cremation services for 40% less and increased efficiency with an integrated technology system that Heaven's Pets did not offer. Heaven's Pets' management reacted by decreasing prices to a comparable level, and they even comped previously billable funeral services. As a result, Heaven's Pets immediately started hemorrhaging cash.

During this period, the company also expanded, doubling the space to ensure supply for the increasing volume. However, as Heaven's Pets lacked the integration of technological software and efficient processes to keep up with the rapid growth, the marketing outreach declined, and Heaven's Pets' customers were not able to identify the company's value proposition. When their competitor dropped their price, it was easy for the clinics to switch cremation companies. Heaven's Pets' manager was able to maintain the majority of the company's client base by decreasing the prices. This price reduction led to the high-end service being unsustainable. As the company was losing money, the management and Board of Directors hired David after a 6-month struggle period.

### *Heaven's Pets engaged in three service offerings*



High-Performance  
Executive Coaching



Management System  
Implementation



Business Intelligence  
and Design



## Case Study

January 2020

### High Performance Coaching

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In order to avoid layoffs and maintain the quality of services, Heaven's Pets' Chief Executive Officer (CEO) had to quickly make necessary changes and decisions. David assisted the CEO with prioritizing the most pressing concerns and insights to distinguish between the critical tasks and the distracting noises. Together, they worked with the team to more efficiently handle the volume of service requests so that the CEO could focus on revenue-increasing strategies.



### Management Systems

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On the first day of the engagement, David facilitated a meeting in which the board of directors and the CEO identified the company's initiative. Through a day-long training session, they established that the company needed to increase its average price per private cremation from \$150 to \$220 within six months. They concluded that to accomplish this objective, they needed to directly collaborate with the pet parents at the time of death, rather than depending on the veterinary clinics to do so, so that they could correctly display value to the clients while establishing a more streamlined and efficient process. The board of directors and the CEO identified tasks or drivers that would pivot them towards accomplishing their goals. They created a scorecard and checked in during weekly management meetings to ensure accountability and structure for the process. Armed with the tools they needed, the CEO and David collaborated with the team to implement efficient management systems for the front office pet care specialist and the back-office cremation specialists. This management system aligned the entire organization with the goal established by the board of directors. Everyone in the company identified and committed to the tasks that would influence the company's ability to accomplish its target. Also, all employees received a scorecard and attended weekly team check-in meetings to ensure accountability and momentum.

### Business Intelligence and Design

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Heaven's Pets processed approximately 500 pets per month but was still operating out of duplicate forms, inefficient spreadsheets, and QuickBooks. The company used anecdotal scenarios to drive decisions without any quantifiable supporting evidence. There was also resistance from the CEO to bring the price up with some clinics as he feared that there would be price pushback, as some of the clinics they serviced had less affluent clientele. David was able to utilize data analysis techniques to prove to the CEO that historically, all of its clients had paid the same prices on average for private cremations, and therefore the prices were not clinic dependent. This insight allowed the CEO to more confidently defend the higher price point when the clinics rebutted and declared, "Oh, our clientele won't pay that price."

David also implemented a Customer Relationship Management system to increase accountability, so the relationships with all of the clinics were nurtured by an internal account manager from Heaven's Pets. These relationship management strategies also provided structure and accountability for the outreach processes.

Additionally, David added a call analytics platform, which allowed management to listen to customer calls. Management learned that the customers were frustrated with the 17 decision-making questions that the pet care specialists asked to adhere to their script. The script was rewritten, and the upsell percentage rate exponentially increased.



## Case Study

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### The Results

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Within 6 months of the engagement, Heaven's Pets had successfully converted the top-10 referring clinics to the higher price point. These conversions created a meaningful impact because these clinics accounted for 80% of the company's revenue. Heaven's Pets has converted or will convert the top-25 clinics to the higher price points within the upcoming quarter. The management also decided to maintain only three clinics at the lower price point for strategic reasons. As the company's average price-per-private-cremation increased from \$150/pet to \$217/pet within 6 months, Heaven's Pets has increased its profitability by approximately 17%; this profitability continues to trend upward.

Furthermore, management was able to identify effective messages that would allow them to convey clear, unique selling propositions against competitors. As management disseminated this knowledge to all employees to rally competitiveness, they noticed an improvement in company culture and employee morale.

Actual and WIG

