

Funeral Guide response to CMA working papers

Based on the [overview of key research and analysis](#) released by the CMA on 30 January 2020, alongside a number of working papers, Funeral Guide is submitting an official response in order to offer insight from an independent platform that works with both funeral directors and the bereaved.

As the UK's most visited funeral director comparison website, Funeral Guide's goal is to help the bereaved by providing them with clear and comprehensive pricing and independent, verified reviews. Funeral Guide publishes help and resources articles focused on preparing for and attending funerals, as well as coping with bereavement and grief.

Funeral Guide believes that the CMA investigation to date, and the potential remedies suggested by the CMA, aligns with its mission statement to 'help the bereaved'.

The circumstances in which people organise a funeral

As stated in the [overview of key research and analysis](#), Funeral Guide agrees that "bereavement can impact upon a grieving person's cognitive skills and...make it more difficult for bereaved people to arrange and make decisions about a funeral."

Funeral Guide believes it is therefore important that the bereaved are made aware of the services and associated costs of a funeral *before* they choose a funeral director.

The Ipsos MORI telephone mystery shop shows, as noted in point 26 of the [overview](#), that many funeral directors contacted either did not offer pricing to the bereaved, did not notify the bereaved that their pricing does not include disbursements, or did not suggest options to the bereaved that may help them reduce their overall spend.

It is clear that access to this kind of information needs to be provided somewhere accessible and in plain sight for the bereaved to review ahead of their first call to a funeral director.

Funeral Guide believes that an independent platform where both prices and reviews are readily available to the bereaved is the solution to this issue, as suggested in point 31 of [information and transparency remedies](#).

Funeral Guide concurs with the CMA's hypothesis that business practices that result in less price transparency could be driven by customer behaviour rather than a concerted effort to hide pricing, as mentioned in point 3 of the [consumer survey results](#).

Point 146 of the [funeral director sales practices and transparency](#) working paper notes that people who have organised a funeral can feel "rushed into choosing a funeral director or influenced by a care home into choosing a particular one".

Funeral Guide believes it is imperative that the bereaved know there is enough time available for them to make an informed, independent decision when choosing a funeral director.

Point 10 of the [overview](#) states that "In over 80% of cases, the funeral director who collected the body also made the funeral arrangements" and that "very few customers considered switching funeral director at any point in the process".

This suggests that the bereaved are not aware they can change funeral directors, or they do not believe they have enough time to choose a different funeral director. This is worrying.

How people go about finding a funeral director

As the [consumer survey results](#) show, very few people currently use independent platforms to compare funeral directors. Funeral Guide believes that independent platforms which are used to compare funeral directors' prices and service levels empower the bereaved to make more informed choices.

In their [qualitative information from independent funeral directors](#), the CMA noted that "a large number of respondents indicated that they monitored their local competitors in some form. Of those that monitor their competitors, over two thirds said they use that information in their decision making "in some capacity". This suggests that funeral directors are aware of the competition in their local area and the prices they charge. Currently, the bereaved do not have access to this information. This is unacceptable.

In point 13 of the [overview of key research and analysis](#), the CMA stated that "observations about the way customers approach the purchase of a funeral do not imply that they are at fault in any way. Their behaviour is likely to be a natural response to challenging circumstances in which they find themselves when facing the death of a loved one."

With this in mind, Funeral Guide believes that information about pricing, services, disbursements, and all other aspects of the funeral arrangement process, should be made readily available and easily comparable online. This will allow the bereaved to be an informed purchaser of a funeral director's services before facing the pressure of arranging a funeral and while still grieving for their loved one.

The relationship between end-of-life care providers and funeral directors

Funeral Guide believes that existing "off the record" relationships between end-of-life care providers and funeral directors must be urgently reassessed by the CMA as it is harming the bereaved and severely impacting competition.

With the majority of deaths in the UK taking place in hospitals, care homes and hospices, an unquantifiable number of bereaved families are currently being directed to a particular funeral director by individual staff members at these institutions. Such recommendations are not impartial and are motivated by the depth of the relationship between the funeral director and the staff member.

The CMA is wrong to conclude that this is not a widespread problem. In Funeral Guide's experience, the relationship between hospital mortuary staff and funeral directors, and the relationship between care home staff and funeral directors, is wide open to abuse.

Bereaved families can be put under pressure by staff members at these institutions to move their loved one into the care of a particular funeral director quickly, denying the bereaved an opportunity to make an informed decision.

Hospitals, in particular, could do a lot more to empower the bereaved.

Currently, most hospitals offer a basic "what to do next" booklet to the bereaved, of which half the pages are typically funeral director advertisements. These adverts do not usually contain any information about the price or quality of the funeral director's services. As a result, the ability to compare funeral directors from the booklet is negligible.

CMA proposed remedies

Funeral Guide agrees with the CMA that making information available online, independent of funeral directors' own websites, would give the bereaved access to the impartial information they need before choosing a funeral director.

As per point 31 of the [information and transparency remedies](#) working paper, access to independent pricing and product information would "facilitate shopping around and increase customer awareness of total funeral costs and price differentials... enable better comparison of funeral directors... create awareness of all the options available to the customer, including low-cost options... reduce the scope for the final price to substantially exceed the initial quote; and allow the customer to first think about what kind of funeral they want, to understand the impact on price of their choices and to help the customer choose the funeral director to deliver the funeral they want".

This is a service the bereaved can only benefit from, and Funeral Guide reiterates its view that an independent platform is best placed to facilitate this.

Based on its agreement that more people should be aware that online resources for comparing funeral directors are available, Funeral Guide fully supports the remedy laid out by the CMA in the [information and transparency remedies](#) working paper, points 67-71, and agrees that "encouraging online searching through media campaigns and leaflets at appropriate organisations" would be helpful. Intermediaries such as hospitals and hospices are uniquely placed in this role, and Funeral Guide believes they should be encouraging the bereaved to shop around to find the best funeral director for them.

The CMA notes in point 19 of the [role of intermediaries in the process of choosing a funeral director](#) working paper that "formal and informal arrangements that specific funeral directors have with care providers (including care homes, nursing homes, hospices and hospitals)... may be harming competition between funeral directors."

Funeral Guide agrees with this statement and believes that if the bereaved were pointed towards an independent platform rather than given a direct recommendation it would not only be much more in their interest, but also increase competition in the local market.

As noted by the CMA in point 81 of the [funeral director sales practices and transparency](#) working paper: “17% [of bereaved people arranging a funeral] were likely not to have taken prices into account while making choices that had an impact on the total cost of the funeral”.

This shows the importance of educating the bereaved *before* the funeral arrangement meeting takes place. The gravity of this issue is reinforced by point 95 of the same paper, which states that: “There was evidence of prices not being discussed at all, or not when decisions are being made that have an impact on the total bill. In such cases, customers may not have a good idea of total funeral costs until late in, or at the end of, the arrangement meeting (and potentially not before the customer has committed to the funeral director).”

The benefits of online comparison websites

The positive effect that independent comparison websites can have on consumer experience and levels of competition is evident in many other industries. As per the CMA study into [digital comparison tools](#) (DCTs), guiding the public to use price comparison websites or DCTs means the bereaved will have access to the widest range of information possible, which encourages healthy competition in terms of pricing from the market itself.

When comparing results from the DCTs study to the current Funeral Markets Investigation, a dramatic difference can be seen in the use of online comparison websites for choosing financial products compared to choosing funeral directors. Dr Andrea Coscelli CBE stated in 2017: “...most people in the UK have used a comparison site at least once so it is vital that everyone gets the benefits they deserve...The good news is that more than 90% of the people we surveyed were very or fairly satisfied with the sites they used.”

Given the majority of people in the UK have used price comparison websites at least once, and the majority of those had a positive experience, the fact that only 6% of people surveyed for the Funeral Markets Investigation looked online to compare funeral directors is alarming. As such, there is an imperative and immediate need for a government-backed consumer awareness campaign to educate people that there are independent platforms out there that can help the bereaved compare funeral directors.

As per the results of the CMA study into [DCTs](#), independent platforms that provide information on price as well as quality are the most effective tools for the public, as these sites don't put an undue emphasis on cost being the only measure of quality. The bereaved should therefore be guided towards independent platforms which accompany pricing information with independent reviews, so they can make an informed decision based on the cost of services, as well as the unbiased opinions of previous service users.

Allowing the bereaved time to choose

If the bereaved feel rushed for time when choosing a funeral director, comparing providers is less likely, and competition in the market is stunted.

The view that a funeral director must be chosen as soon as possible after a death is not an uncommon one, but it can also be encouraged by the institution where the family's loved one died. Funeral Guide advocates for a government public awareness campaign that can address this misconception that a funeral director must be chosen quickly.

Where a hospice, hospital, care home or other end-of-life care provider has an existing (formal or informal) relationship with a funeral director, the bereaved must be informed of this relationship and its nature. The bereaved must also be told that they do not have to use a particular funeral director and that they have plenty of time to choose.

Care homes often do not possess the cold storage facilities that funeral directors have, but this does not mean the bereaved should be pushed into choosing a funeral director by them. On the contrary, care home staff should be required by law to inform the family that:

- they are under no obligation to choose a particular funeral director.
- they are under no obligation to choose a funeral director quickly.
- independent funeral director comparison websites exist.

Recommendations

Funeral Guide believes the bereaved will greatly benefit if the CMA:

1. educates the public that funeral director comparison sites exist.
2. mandates hospitals to stop using literature that promotes individual funeral directors.
3. creates its own independent platform or works with an existing independent platform.

By implementing these steps, the public will have greater awareness of the importance of comparing funeral directors at their time of need.

This in turn will allow the bereaved to make more informed decisions when choosing a funeral director, and increase competition within the funeral profession.