

FUNERALS MARKET INVESTIGATION

Summary of the meeting with Kate Woodthorpe held on Thursday 25 July 2019

Background

1. Kate Woodthorpe (KW) told us that she was a Senior Lecturer at the University of Bath and had been working in the death-care industry for around 20 years. She had worked with mortuary technicians, in cemetery management and with funeral directors and insurance companies. In the last few years she had focused on the Social Fund and public health funerals but was now looking at how costs intersected with the ritual of the funeral. Kate Woodthorpe had published work extensively in this area and had also undertaken a secondment with the Department for Work and Pensions, and, had been a Special Adviser to the Select Committee.

Introduction

2. Funeral directing is not an old profession. Although funeral directors refer to themselves as a profession, KW said that funeral directing does not fulfil the following profession criteria: it did not have CPD requirements or any education requirements, and it is self-governing. It is a service industry and that is to be celebrated, even if funeral directors may not want to hear that. It is a relatively new industry despite the fact that funeral directors often give the impression of having been around for a long time. The industry has only been around for between 150 to 200 years.
3. Funerals are not necessarily a time-pressured purchase. The twentieth century had seen practical changes to the handling of bodies because of the introduction of central heating in homes and a lack of cool storage resulting in the use of mortuaries. When people died at home, in hospital or in a care home, there was an impetus to remove the body straightaway, due to the practicalities of heat, the pressure on hospital beds and also because the UK population had lost its connection with handling a dead body.
4. Bodies could be kept in cold storage, thereby preventing decomposition, for a considerable amount of time (weeks if not months), provided there was

capacity in the system. So it is not time pressured. However, it could be in the interests of funeral directors to present this picture because this provided a through put of customers and kept the system moving. The bereaved were just one part of the whole process of dealing with the practicalities and legalities of handling a death. The system involved a large number of people, particularly if a death was unexpected or there are any suspicious circumstances. There was very little give in the infrastructure although the UK has got a lot better with planning for emergencies following Lockerbie and Hillsborough.

5. Since the 1960s funerals had become commodities. They were something to be purchased, and funeral directors had become the suppliers of that good. Funerals could be characterised by what was a necessity (e.g. the coffin) and what was embellishment (e.g. flowers). Funerals were different from other purchases in that normal consumer behaviour did not apply. One of the big differences was their heterogeneity. Different people consume funerals differently. Funerals were different from other commodities in that they were an experience. Consumers had different expectations about funerals and specifically what was appropriate, what was good value for money, what was meaningful and what was representative of someone, which might mean not having a funeral service at all.
6. There is mixed provision in this country. Funeral directors were predominantly privately operated, with just a small number of local authorities such as Cardiff, Hayes and Nottingham providing in-house or half-way house services. Elsewhere, as there was no public system, or infrastructure to handle the deceased and to manage a funeral service, funeral directors were in pole position in terms of their ability to manage the body.
7. There is asymmetrical competency, a mismatch between the consumer and the provider at the point of purchase. This means that not only are funeral directors in pole position in terms of managing the body but also in shaping the culture of death. KW referred to the National Funeral Trade Exhibition and the products that funeral directors were purchasing. She said that she thought funeral directors were 'shaping the way death is done', although it is not clear how much that is reflected upon within the industry
8. People were largely unfamiliar with funeral services which meant there was a competency mismatch between the consumer and the provider at the point of purchase. Funeral directors were the first place the bereaved visited when someone died and were at the forefront of what happened with bodies because they became the custodians of them. With that came a position of power.

9. Research by the Competition and Markets Authority indicated that people did not use the internet to search for funeral directors and very few made comparisons. This was confirmed by research Kate Woodthorpe was conducting, which showed that funerals were a 'very very localised purchase'. Proximity to a funeral director was what mattered. Other factors in choosing a funeral director included personal recommendation or that of a bereavement service, local reputation, and previous experience. The pathway to funeral directors was not the standard shopping-around model and evidence showed that most people did not want to shop around.
10. Most bereaved people wanted to defer to people who were more experienced and who would make decisions for them, or, to assist them in coming to a conclusion. In medicine, for example, it was quite common for doctors to act in the best interests of their patients and overrule them and this was accepted by a large proportion of the population. Funeral directors did not overrule their customers but the bereaved were often prepared to defer to someone who had done it before, who knew the system, who had the experience to make judgements about what would work and what would not work, not only in terms of the funeral service but in terms of the geography of the area, getting from A to B in a timely manner and how the series of events would work; that was really valued by people. KW believed that that was why localness was very important.
11. It was difficult for people to assess what comprised a quality funeral experience until it had actually happened. It was then difficult to withhold payment if a family was disappointed because what evidence would they have to indicate that the funeral director had not met the requirements, or, what they said they were going to do.
12. The narrative that the bereaved were vulnerable, irrational and unable to make decisions and were potential victims of greedy, manipulative funeral directors was made without much evidence and was too simplistic. The biggest assumption was that grief was so profound at the point of death, and the bereaved were so emotionally overwhelmed, that they could not ask questions or make decisions, that they generally assumed the funeral bill without question and that they just could not cope. There wasn't the evidence to show bereaved people were so compromised by grief. The status associated with a funeral and its importance was different for different groups of the population. It was difficult to measure or quantify that or, evaluate it in any numerical way.
13. Often the people with the least resources, or, from different ethnic groups opted for a funeral with 'bells-and-whistles' due to their sense of duty and responsibility, or, because they viewed it as a means to cement their social

standing. Typically, the sense of duty to the deceased, or to the community within some religious groups was profound and they had quite a structured mourning ritual. In contrast white Anglo-Saxon Protestants who did not have particularly large family networks, and, who were not connected to their community, in terms of their neighbourhood or their local area, did not have the same sense of duty and responsibility to one another. There was an uneven sense of how people honoured each other and honoured the deceased. There wasn't the same social pressure to hold 'bells-and-whistles' funerals for people who were more secure in their status and who felt they didn't have to prove themselves, or publicly make a statement at a funeral. KW had heard anecdotal evidence that wealthier people opted for the cheapest funerals while it was the people who had the least resources who wanted 'bells-and-whistles'. More evidence is needed to prove this.

14. Grief was a hugely varied experience conflating emotion and irrational behaviour. In KW's experience and the work she had done, it was quite often the clearest thinking family member, or person within a network of people, who would become funeral director's client, rather than the individual who was suffering most from the bereavement. The decision as to who became the client of the funeral director was made as a collective. It was not necessarily the spouse or the parent and might be a friend, or the eldest child, or someone who had not been involved in the care of the person who had died.
15. Funeral decisions were dependent upon the individual and cultural values of the client's background and these varied according to geography. How people felt about their connection to one another and what they were going to do would vary, for example between the industrial North, which had a quite homogenous population compared to East London or the Essex border.
16. Funerals were a negotiated, collaborative purchase which took place over a number of days. They were not held on the basis of a one to one exchange between the funeral arranger and the client, and, were open to change. The process was reliant on people's educational background and capabilities. It was also a case of how confident they felt in rejecting social norms or challenging the funeral director. They might hold an initial conversation with the funeral director and discuss this with their networks (family or friends) before returning to the funeral director in what was a fluid process involving going back and forth. Having confidence to reject social norms has considerable implications for direct cremation.
17. A significant factor as to what happened next, in terms of planning a funeral, were the circumstances of the death. In her current direct-cremation research, KW observed that people who had chosen direct cremation had almost all, if not all, done so following the death of an elderly person who had died after a

long-protracted illness, or, long decline. The family had talked about grieving beforehand, or, had grieved the loss of that person ten years previously. They may have had many conversations with the person who did not want the fuss or hypocrisy of a funeral, i.e. no one visited them when they were alive so why should we organise a funeral. There was quite a difference between someone who had died expectedly after a period of time and in old age, compared to someone who had died prematurely and unexpectedly before their time.

18. KW noted that fatigue was a significant factor in organising a funeral. There were many different levels of fatigue when people were making a funeral purchase, and this was not necessarily just emotional fatigue. It might be financial fatigue. There were an enormous number of considerations that were already compromising people's financial circumstances at the point that they were making that purchase, and it could be that they had incurred considerable costs already, for example, for travel and expenses of caring for someone. They might have suddenly lost an income which could affect the ability to pay the mortgage. There were considerable implications when someone, especially an income provider, died.
19. It was very difficult evaluating funerals because they were an experience and people had different starting points (namely the circumstances of the death, their background, education and values) which affected their assessment. The bereaved tended to define their satisfaction on emotional grounds, i.e., their connection to the funeral director, for example, were they listened to? Did they feel heard? Was the funeral director available? Did they feel that their experience with the funeral director was handled sensitively? Did they honour their wishes? Did they organise it according to their needs? This was incredibly difficult to quantify across the sector and compare between businesses.
20. One of the reasons that funeral directors had become more focused on the goods they provided was because it was very difficult for them to provide a breakdown of their services (e.g. the amount of time required to process the necessary paperwork) and so most of the time provided a price for the services rendered. This helped explain why the question, "what is a basic funeral?" was still unanswered and would probably remain so.
21. Direct cremation and simple funerals differed in terms of the services they provided and were an evolving market: some included viewing, while others did not, and for some, the deceased were kept on the premises, while in other cases bodies were transferred to large hubs, such as those operated by the Co-op. It was debatable as to whether or not consumers were aware of what was going on behind the scenes in terms of body storage and movement. This could create issues in terms of access as some people would want to

repeatedly view the deceased, or, view at different times. KW thought that people would understand the rationale for storing the deceased in hubs because it was better to have one cold-storage facility in an area rather than having many as this was more energy efficient.

Remedies

22. KW thought that any proposed remedies should focus on variables funeral directors could influence such as qualifying the services they provided and the availability of pricing. The timing of decisions was critical. The pressure to secure a burial or cremation slot within 72-hours after death drove much of the purchase and the decisions made. There was a public perception that nothing could be done (e.g. arranging the wake) until the crematoria or church had been booked, so there was a real drive to get the day and time the bereaved wanted. KW queried whether these decisions needed to be made so quickly, questioned whether it mattered if there was a three to four-week lag and thought social expectation was a factor: a funeral had to take place within so many days or weeks after someone has died. In Northern Ireland, funerals were completed in three days.
23. Funeral directors were trying to get what their client wants. KW had heard of funeral directors booking the best crematoria slots and then releasing these with at least two weeks' notice when they found they did not need them. This meant crematoria could be left with unused slots but there was little they could do about this. It also depended on how long the slots were, and if they offered double time; it is how the crematoria manage the chapels and timings between funerals. KW did not think these slots were sold on. She did not believe that crematoria were applying pressure with regard to bookings and noted that they could now store bodies which meant they could operate more efficiently. Most people had a date and time in mind for the service, because of logistics, where people were coming from, how far they were travelling, what was going to happen on the day. And it was a case of the funeral director trying to accommodate their wishes, the slots at the crematoria and the slots and staff their business had available. It was event management essentially. Early morning slots (i.e. the 8.30 am or 9am slots) tended to be unpopular with the greatest pressure being on the most attractive times. In terms of payment, the cost of the crematoria was listed on the bill presented to the bereaved by the funeral director and so it would be possible to attribute additional sums to the cost of the cremation because this information was publicly accessible.
24. There was pressure on funeral directors to manage their own books and to ensure that they were not overstressing themselves, so they could honour the funerals that were planned. They did collaborate and assisted each other

by loaning each other hearses and limos, if they were stretched, and also staff in the event that an unexpected funeral needed turning around very quickly. There is an evolving calendar at any point. However, they did not actively work together because they were in competition with each other. They were not prepared to share information at regional conferences and seminars and so the only way that they could have meaningful conversations was at a national level. Funeral directors had to manage an evolving calendar.

25. KW thought that the quality of funeral-director staff could also be brought into focus because there were currently no training requirements, or commitment to education. Salaries for funeral arrangers were low and some were on sales bonus schemes. To the best of KW's knowledge Dignity and the Co-Op did not use bonus schemes for arrangers, but they may do. She did not know. It differs too because in some business models, for example Dignity and the Co-op, the funeral arranger and the funeral director had distinct roles, whereas within independents, these roles were often filled by the same person which presumably had cost implications for the organisations.
26. Another challenge is that funeral directors outsource a lot of their services and this raised questions as to who was responsible when something went wrong. For example, they bill for flowers and then outsource to the local florist, and it is unclear who is responsible if the florist makes a mess of the situation. Or if the minister does, which is another challenge. Sometimes ministers are instructed by the family or the client, sometimes they are done inhouse, through the funeral director. You hear of ministers getting the name wrong, but is that the funeral director's responsibility if they are the one that has paid them? They have technically employed them.
27. Other factors to consider included available compensatory schemes and identifying consumers who were at risk of manipulation, or, who were feeling vulnerable, or exposed when it came to purchase a funeral, and the circumstances of the death and how that changes [expectations].
28. Governance of funeral directors matters too. Whether they are governed inhouse, self-governing or governed externally. Codes of practice need to be meaningful, criteria that could be assessed and evidenced. KW believed funeral directors should be held to account. She noted that the funeral ombudsman no longer existed. The benefit of having a funeral ombudsman would be its objectivity, as it would not be employed by the funeral directors and so would act in the interests of the public rather than the funeral industry. It was also important to have a code of practice that was meaningful. KW noted that Scotland had released its code for consultation. She said that she thought it was important to have specific criteria and requirements (e.g.

relating to education and training) so that if funeral directors did not meet these, their failure to uphold the code would be clear.

29. Education was also very important. The NAFD had had their in-house diploma for a long time and it was very inward looking. It was very much about 'how do we do funeral directing', not about commercial standards that are shared with other industries. The new NAFD CEO and the previous were exciting because they had experience in other sectors and governance and standards in other sectors. It is healthy that there are others coming in to the industry from outside as it had been something of a cottage industry, doing their own thing for so long.
30. Research on financial literacy and on different socio-economic groups suggested that different groups had different attitudes towards debt and that people with less money were more willing to take on debt. If they were struggling to pay the costs of a funeral, their go-to solution was to use a credit card rather than cut the costs or find a cheaper alternative. Understanding attitudes was important because you could make big conclusions that do not take into account how people feel about debt.
31. Direct cremation is not the answer to everything. The danger is saying that direct cremation will be the cheapest option. There was not enough evidence to indicate that people were moving towards direct cremation because it was a cheaper option. The long-term impact on not having a funeral was not known in what was an evolving market.
32. KW believed the changes to consumption in the funeral industry were being driven by consumers, led by the baby boomers, they are changing their behaviour in terms of consumption, as we saw with their weddings in the 1970s. Funeral directors and the funeral industry have been largely resistant to change as they are conservative. There were some brilliant funeral directors, they are not all like that. But they are acting in their own interests because they were businesses so there was a potential for conflict between what was in the consumers' best interest and what was in funeral directors' best interests since the latter were commercial organisations.
33. Large, national funeral directors such as the Co-op and Dignity operated on a national scale to the independents who operated locally, so they thought about funeral differently and had different models of business. Dignity are in the middle in that they are national but also had a local element to its business in that it retained the trading names of the funeral directors it acquired. So they were providing the infrastructure and services but also buying up local knowledge.

34. KW said that there was great mistrust in relation to training and staff retention, because funeral directors were concerned that staff might be poached by others or leave and set up their own business in direct competition with them. One of the huge barriers to funeral directors working together is that they are in local competition with one another. So the only way that they can have meaningful conversations is at a national level.