Appendix C: Consumer surveys

Overview

1. This appendix sets out the methodology used for the CMA's consumer survey carried out as part of the Funerals market investigation. Where applicable, it compares the methodology and results of the CMA's quantitative consumer research with the methodology and results of quantitative consumer research carried out and submitted in evidence by several parties to the case. We then discuss the extent to which we have placed weight on the evidence derived from these various sources.

2. In addition, we set out the methodologies used by the CMA to gather other consumer-related research evidence also described in the Provisional Decision report.[1]

Market Investigation consumer survey

3. As part of our evidence-gathering, we contracted the market research agency Ipsos MORI to conduct a quantitative survey of consumers (**the Market Investigation consumer survey**) by including questions on eight waves of its face-to-face omnibus survey (Capibus). The CMA is most likely to consider an omnibus survey approach in cases where we are interested in representative results permitting robust analysis at a *national* level, as in the Funerals market investigation – it is not designed to deliver samples that are representative/allow robust analysis at defined *local* levels.

4. Ipsos MORI conducts one face-to-face omnibus survey per week (where each week is referred to as a 'wave' of fieldwork). Nationally representative samples of c.2,000 adults in Great Britain aged 15 years and over are achieved per wave. When required, an additional sample in Northern Ireland is added to produce a nationally representative, UK-wide sample.

5. The Ipsos MORI omnibus uses a controlled form of random location sampling (known as 'random locale'). Interviews are conducted in respondents' homes using a computer-aided personal interviewing (CAPI) methodology (where interviewers use handheld tablets to record respondents' answers). Participation in the survey is not incentivised, and those who take part do not

[1] This comprises: a Rapid Evidence Assessment (REA) [**the Market Investigation REA**]; telephone/website mystery shopping [**the Market Investigation mystery shopping**]; and qualitative research [**the Market Study consumer research**] – see paragraph 52ff below.

know what topics will be covered in the interview to follow at the point they agree to be interviewed.

6. The survey collected responses from two main groups of consumers:

   (a) UK adults aged 18+ who used a funeral director to make arrangements for an at-need burial or cremation funeral since July 2017; and

   (b) UK adults aged 18+ who made the arrangements for an at-need cremation (with or without a funeral director) since July 2017.[2]

7. In addition, a small number of questions were included for:

   (a) UK adults aged 18+ who were responsible for activating a pre-paid funeral plan (PPFP) since July 2017.[3]

   (b) UK adults aged 18+ who made the arrangements for an at-need burial or cremation funeral without using a funeral director since July 2017.[4]

8. Finally, a single question was included for all UK adults aged 18+.[5]

9. Fieldwork took place over a total of eight waves, between 26 July and 16 October 2019.

10. The draft survey questionnaire was developed by the CMA. Comments on the draft version were then sought before it was finalised. The CMA published an invitation to comment on the consumer survey questionnaire and a copy of the draft questionnaire on the CMA website on 21 May 2019. A copy of the

---

[2] At the questionnaire design stage, we carefully considered whether to ask respondents to provide details (e.g. name and location) of the crematorium they had used, from which the CMA would then determine the crematorium's ownership (local authority or private) at the data processing and analysis stage. In the end we decided against a question of this nature because: (i) it was felt unlikely that respondents would be able to provide the information required for the reliable determination of individual crematoria with sufficient precision; (ii) we were conducting a national-level survey and so most crematoria would be identified by no more than one or two respondents each, if they were identified at all; and (iii) we were not planning to use crematorium ownership as an aggregated analysis variable (in a nationally representative achieved sample, only a minority of respondents would be the customers of a private crematorium, because most people use a local authority crematorium).
[3] A total of 84 respondents had activated a pre-paid funeral plan.
[4] A total of 35 respondents had arranged an at-need burial or cremation funeral without engaging the services of a funeral director. Stated reasons for not doing so most frequently related to issues of cost (n=11/35 said they *could not afford the cost* and/or *wanted to keep costs down as much as possible*), and/or to a sense of duty to the deceased (n=8/35 said that arranging the funeral was their *final duty/responsibility to the deceased* and/or that it was *not appropriate to put the arrangements in the hands of a stranger*). Source: CMA analysis of consumer survey dataset.
[5] This found that 69% of UK adults believe that funeral directors must be licensed or registered to operate. Source: Market Investigation general public survey. Base: 2,237 UK adults age 18+, July 2019. All choosing response option 'funeral directors' specifically (37%) or spontaneously stating 'all of them' in response to the following question: *In the United Kingdom, certain types of business are regulated by law to meet particular minimum standards for the goods or services they provide. This means they must either hold a licence, or register, to operate. Which of the following businesses, if any, do you think (or know) must be licensed or registered to operate in the UK?*

draft questionnaire was also sent directly to the following parties for comment: Co-op, Dignity, Funeral Partners, Memoria, the NAFD, SAIF and Westerleigh. In total, we received comments on the draft from seven parties to the case. We reviewed all comments and suggestions received and made a number of content revisions as a result, ahead of finalising the questionnaire used for fieldwork with the support of Ipsos MORI.[6]

11. A copy of the full, final questionnaire was published on the CMA website on 30 January 2020 as the Annex to a working paper setting out the consumer survey results. Copies of the survey data tables[7] and a survey technical report prepared by Ipsos MORI were published at the same time.

CMA consumer survey analysis

12. The quantitative survey analysis set out in the CMA's Provisional Decision report (and previously in published working papers) is that of the CMA, based on data provided to it by Ipsos MORI, and not the analysis of Ipsos MORI. Some of the statistics presented are derived from additional analysis of the survey dataset by the CMA and may differ from the data tabulations provided to the CMA by Ipsos MORI as published. Where the results presented in this report are based on our further analysis of the survey dataset, we refer to this as **CMA analysis of consumer survey dataset**.

13. Where the results are presented for questions asked only of subsets of the achieved samples of respondents, or comparisons are made between sub-groups, our analysis is usually based on responses from at least 100 respondents in the unweighted base (for a subset, or for each sub-group compared). Where we present results that are based on responses from less than 100 respondents in the unweighted base (for a subset, or for each sub-group compared), we do so qualitatively, and our conclusions should be regarded as indicative.

14. For differences between sub-groups of at least 100 respondents in the unweighted base, we comment on results which are statistically significant at the 95% confidence level.

15. In the main text/appendices, footnotes and tables, we use 'n' to indicate the number of respondents in a base (ie, "base size") or (especially when we are

[6] To minimise respondent fatigue and to manage research costs, it was necessary to prioritise topics for inclusion in the questionnaire so that we covered those of most relevance to our investigation; in doing so, we note that additional content that we and/or parties to the case considered desirable could not be included.
[7] See: Funeral director tables and Crematoria tables

presenting results qualitatively) the number of respondents who gave a particular answer.

16. Where base sizes are presented, these are the unweighted numbers of respondents who were asked a question or fall into a sub-group.

17. In the main text/appendices, footnotes and tables, (<) denotes any value of less than half a percent but greater than zero.

18. Where percentages do not sum to 100, this may be due to rounding, multiple answers or the exclusion of don't know/prefer not to say/missing values.

CMA consumer survey quality

19. With a starting (or base) sample structured to be representative of the UK general population of adults aged 15+, the survey collected responses from two main groups of consumers, as follows:

(a) Three waves of GB fieldwork were dedicated to questions about **using a funeral director** to arrange a burial or cremation (or, if applicable, the questions for PPFP and 'no funeral director' respondents). A proportionally representative boost of adults aged 18+ in Northern Ireland was also run. A total of 6,084 UK adults aged 18+ were interviewed. Those eligible to answer the CMA's questions about funeral directors in full were identified using a number of screening questions. For our purposes, they were asked whether they had been personally involved in arranging (by the CMA's definition of arranged[8]) an at-need funeral,[9] using a funeral director, in the two years to date of interview (ie since July 2017). The suite of funeral director questions was then asked only of those who told us they had done so (n=279 eligible respondents). This should result in a representative sample of those who arranged (by the CMA's definition of arranged) an at-need funeral, using a funeral director, in the previous two years, ie the population of interest to the CMA. Eligible respondents were asked to answer questions by reference to the most recent occasion in which they were involved in making the arrangements for an 'at-need' funeral. More than half (55%) of eligible respondents had arranged this type of funeral in the year prior to interview (since

[8] Personal involvement was defined for respondents as *"having sole or shared responsibility for making important decisions about the funeral such as: what kind of funeral to have, when and where it would take place; and how much to pay for the arrangements being made"*.
[9] An 'at-need' funeral was defined for respondents as *"… one where the funeral arrangements are made and paid for at the time someone dies. They can be paid for using: someone's savings; money set aside by someone in their will; money paid out from a life insurance policy or Over-50s policy; a credit card or a loan; a Funeral Expense Payment from the Department of Work & Pensions (DWP); a grant from a charity. It is **not** a funeral that someone has partly or fully paid for in advance because they've bought a "pre-paid funeral plan"*.

July/August/September/October 2018, depending on when fieldwork took place).

(b) Five waves of GB fieldwork were dedicated to questions about **using a crematorium**. A proportionally representative boost of adults aged 18+ in Northern Ireland was also run. A total of 10,144 UK adults aged 18+ were interviewed. Those eligible to answer the CMA's questions about crematoria in full were identified using a number of screening questions. For our purposes, they were asked whether they had been personally involved in arranging (by the CMA's definition of arranged) an at-need cremation funeral in the two years to date of interview (ie since July 2017) where a funeral director was also involved in making at least some of the arrangements OR where a funeral director was not involved in making the arrangements and the respondent had dealt directly with the crematorium. The suite of crematoria questions was then asked only of those who told us they had done so (n=376 eligible respondents). This should result in a representative sample of those who arranged (by the CMA's definition of arranged) an at-need cremation in the previous two years, ie the population of interest to the CMA. Eligible respondents were asked to answer questions by reference to the most recent occasion in which they were involved in making the arrangements for an 'at-need' funeral. More than half (58%) of eligible respondents had arranged this type of funeral in the year prior to interview (since July/August/September/October 2018, depending on when fieldwork took place). In most cases (n=370), respondents had engaged the services of a funeral director, but six respondents had dealt directly with the crematorium themselves.

20. All information collected on Capibus is weighted to correct for any minor deficiencies or imbalances in the achieved sample. The Ipsos MORI Capibus uses an interlocking 'rim weighting' system which weights to the latest set of census data or mid-year census estimates and Publishers Audience Measurement Company (PAMCo)-defined profiles for age, social grade, region and working status within sex, and additional profiles on tenure and ethnicity. In order to match the sample and weighting targets, the weight scheme was applied to all 6,084 respondents in the starting/base sample for the three waves about using a funeral director (not just to those who were eligible to answer the CMA's full question set, post-screening), and – separately – to all 10,144 respondents in the starting/base sample for the five waves about using a crematorium (again, not just to those who were eligible to answer the CMA's question set in full after screening).

21. The sampling properties of this approach, in identifying a random sample of the appropriate target population, are statistically sound.

22. Consequently, we can say that:

(a) 5% of the UK population who are 18 or older arranged (by the CMA's definition of arranged) an at-need funeral, using a funeral director, in the previous two years. (Of these, 53% were first-time arrangers of an at-need funeral.)

(b) 4% of the UK population who are 18 or older arranged (by the CMA's definition of arranged) an at-need cremation in the previous two years. (Of these, 53% were first-time arrangers of an at-need cremation.)

23. It should be noted that the achieved sample sizes reflect the *incidence after screening* of eligible respondents[10] within the UK general population. These incidence rates should not be mistaken for *response rates*[11] because it was not the case that we contacted a pre-identified sample of eligible consumers (as would be possible with a sample drawn from customer lists or a pre-recruited respondent panel) of whom ≤5% then agreed to be interviewed.[12] During the Market Study consumer survey, Ipsos MORI found that very few of the base sample (n=17, from a total of 6,109 UK adults age 18+)[13] refused (after hearing the introduction to the CMA's suite of questions) to be screened for eligibility to answer them. Because we used the same introduction for the Market Investigation consumer survey, there is good reason to assume that a low level of refusal again occurred.

24. Table 1 below compares the demographic profile of all UK adults age 18+ with that of all who arranged (by the CMA's definition of arranged) an at-need burial or cremation funeral, using a funeral director, in the previous two years (all eligible respondents). We note that the latter are significantly more likely to be over the age of 55, in the ABC1 socio-economic group, and white. The results indicate that respondents age 55+ were more likely than younger respondents to say they never use the internet.[14]

[10] That is, "those who arranged an at-need funeral, using a funeral director, in the previous two years" or "those who arranged an at-need cremation in the previous two years".
[11] In survey research, the response rate is the number of eligible respondents who answered the survey divided by the number of all eligible respondents in the sample.
[12] Regarding response rates, note that unless there is evidence that the achieved sample is representative of the target population, the CMA is generally cautious about giving full evidential weight to surveys that achieve a response rate below 5%. See: Good practice in the design and presentation of customer survey evidence in merger cases (CMA78)
[13] See: CMA Market Study consumer survey Technical Report (28 August 2018)
[14] Amongst those age 55+ (n=160), 14% said they 'never use' the internet, compared with 3% of those age 35-54 (n=85) and none of those age 18-34 (n=34); indicative finding (some small base sizes).

Table 1: Demographic profile (funeral director questions)

	UK adult population age 18+*	% All eligible respondents†
Sex		
Male	49	43
Female	51	57
Age		
18-34	28	13
35-54	33	37
55+	39	50
Social Grade		
ABC1	55	65
C2DE	45	35
Ethnicity‡		
White	87	95
BAME	12	4
Internet Usage		
User (ever use)	91	92
Non-user (never use)	9	8

Source: Market Investigation consumer survey
* Base: 6,084
† Base: 279
‡ Indicative finding (small base size for BAME respondents)

25. Table 2 below compares the demographic profile of all UK adults age 18+ with that of all who arranged (by the CMA's definition of arranged) an at-need cremation in the previous two years (all eligible respondents). Again, the latter are significantly more likely to be over the age of 55, in the ABC1 socio-economic group, and white. The results indicate that respondents age 55+ were more likely than younger respondents to say they never use the internet.[15]

[15] Amongst those age 55+ (n=205), 11% said they 'never use' the internet, compared with 1% of those age 35-54 (n=125) and none of those age 18-34 (n=46); indicative finding (some small base sizes).

Table 2: Demographic profile (cremation questions)

	UK adult population age 18+*	% All eligible respondents†
Sex		
Male	49	47
Female	51	53
Age		
18-34	28	12
35-54	33	37
55+	38	51
Social Grade		
ABC1	55	64
C2DE	45	36
Ethnicity‡		
White	87	96
BAME	12	4
Internet Usage		
User (ever use)	91	94
Non-user (never use)	9	6

Source: Market Investigation consumer survey
* Base: 10,144
† Base: 376
‡ Indicative finding (small base size for BAME respondents)

26. The particular strengths of this survey methodology are:

(a) It uses the gold-standard interviewing technique (face-to-face).

(b) Participation in the survey is not limited to those who have a telephone or are online.

(c) It delivers a robust, representative sample of the target research audience.

(d) Respondents are not 'conditioned', that is, they are not pre-recruited and regularly participating in surveys (as would be the case for a sample drawn from a panel).

(e) Respondents are not incentivised to participate.

(f) Respondents' answers to pre-coded questions do not need to be prompted (that is, read out or written down for them to select from, as would be the case for telephone and online methodologies, respectively). Unless otherwise stated in the main text, the answers given by respondents were unprompted/spontaneous.

27. As with all survey-based methods, there are a number of caveats that should be borne in mind when considering the results of the survey:

(a) A potential weakness of our approach to gathering primary quantitative evidence from consumers is that the size of the achieved samples reflects the number of waves of interviewing that we could commission within the

time and budget available, because eligible respondents are low incidence within the general population (ie most people interviewed had not arranged a funeral in the 24 months to the date of fieldwork). Smaller achieved sample sizes widen the confidence intervals for survey estimates. While we have achieved robust sample sizes, and the achieved sample sizes are adequate for our purposes in most respects, it is true that they could be *more* robust and, in turn, the confidence intervals narrower.[16]

(b) Similarly, within the achieved samples for all eligible respondents (n=279 consumers who used a funeral director and n=376 consumers who arranged a cremation), some key sub-groups of interest, for example, consumers who compared funeral directors or who compared crematoria, are small (n=48 and n=26 respectively). Again, this is because the incidence of consumers who compare in this market is very low (ie relatively few compare), and not a failure of the research (put another way, we cannot interview comparers if they are relatively rare amongst eligible respondents in the first place). We generally consider that for findings to be given full evidential weight in our inquiries, one requirement is that estimates should have a base size of at least 100 respondents. Consequently, while we still present results derived from smaller base sizes where they are relevant to the discussion, we treat them as indicative only.

(c) Non-response bias occurs when people who responded to the survey are not representative of the sample as a whole in such a way that this has an impact on some or all of the survey results, ie where the pattern of responses from those who answered the survey is different from that which would have been obtained from those who did not. However, as noted above (see paragraphs 20, 23, and 26), the omnibus survey design and the weighting applied to the dataset seeks to compensate for/correct

[16] An illustration of approximate sampling tolerances is given in the table below, although it should be noted that these apply to perfect random samples and assume that the effective sample size is the same as the achieved sample size. It is possible that the true confidence intervals (margins of error) will be wider than indicated.

Approximate sampling tolerances applicable to percentages at or near these levels (at the 95% confidence level)

	10% or 90%	*30% or 70%*	*50%*
Unweighted base	*+/-*	*+/-*	*+/-*
100	6	9	10
275	4	5	6
375	3	5	5
550	3	4	4
750	2	3	4
825	2	3	3
1,125	2	3	3

non-response amongst different sub-groups in the population and, as such, should greatly reduce the effects of bias on the results.

(d) The ability of respondents to recall, or provide answers concerning, certain facts about the funeral may have been affected by the amount of time that had elapsed since the funeral was arranged. As noted above, more than half of respondents were interviewed about a funeral that had taken place within 12 months of the date of fieldwork, and none were interviewed about a funeral that took place more than 24 months before the date of fieldwork. We consider that this period is short enough to enable respondents to recall the details of the funeral arrangement process with reasonable accuracy, while maximising the size of the samples we could achieve within the time and budget available. In this context, we note that the consumer survey evidence submitted by parties to the case was, with two exceptions,[17] all based on considerably longer recall periods (ie, respondents were interviewed about a funeral that took place up to 3, 4 or 5 years (and, in one case, up to 10 years) before the date of fieldwork).[18]

28. Conducting our own survey allows the CMA to gather primary evidence from consumers to address key aspects of our investigation in an entirely neutral way. In contrast, research submitted by the parties to a case, regardless of the quality of that research, has often been conducted for a different purpose (for example, to inform product development or marketing and media activity) and so may not address areas of interest to the CMA at all, or may address them in a way that is incomplete or not impartial.

29. We consider that the questionnaire worked well overall, and that the survey results can be used to make inferences about the behaviours, experiences and attitudes of funeral arrangers [consumers] in the UK. Comments on selected questions and results are provided below.

(a) *Comparing funeral directors*. All eligible respondents were asked whether they had compared the services of two or more funeral directors when deciding which funeral director to use.[19] Only a minority of consumers (17%) said they had done so (ie, “shopped around”). Cumulatively,

---

[17] Respondents to At Need Monitor surveys (conducted quarterly [✂] for a Large funeral director [✂] from Q3 2017 – see Table 3 below) answered questions in reference to a funeral arranged in the previous 12 months. Respondents to Westerleigh’s customer survey (conducted in March 2020 – see Table 3 below) answered questions in reference to a cremation arranged in 2018 or 2019.

[18] Consequently, the sample sizes achieved by the parties tend to be somewhat larger than those achieved by the CMA’s Market Investigation consumer survey.

[19] Market Investigation consumer survey, Tables 40-42, Question FD1+FD2 (SUMMARY). Base: all UK adults 18+ involved in making at need burial or cremation funeral arrangements since J/A/S/O 2017 who used a funeral director (n=279).

around a quarter (24%) considered that, effectively, there was no comparison to make, either because they were honouring the express wishes of the deceased (13%) or because, as they saw it, only one funeral director was available locally (12%). Over half of consumers (54%) said they did not compare funeral directors even though they considered that a genuine choice of providers was open to them. Parties to the case have put to the CMA that customers are increasingly shopping around between funeral directors. A detailed consideration of this issue may be found in paragraph 40ff below.

(b) *Finding a funeral director*. Respondents with a choice of funeral director (whether exercised or not) were asked an unprompted question about the way(s) in which they found out about the funeral director they used.[20] Few of these respondents had used either a price comparison website (1%),[21] or an online directory/reviews-based comparison website (<%),[22] to find out about the funeral director they used; 5% reported that they had searched online using a search engine/browser. Cumulatively, 6% of all eligible respondents found out about the funeral director they used by searching online. Some parties to the case have put to the CMA that customer use of the internet is higher than our survey findings suggest, has been growing, and will continue to grow. A detailed consideration of this issue may be found in paragraph 46ff below.

(c) *Collection of the deceased*. A fifth of respondents (21%) said they did not know/could not remember how much time elapsed before a funeral director collected the body of the deceased.[23] While this is a relatively high proportion of don't know/can't remember answers, we consider that it is likely to reflect a genuine lack of knowledge rather than a failure of recall for many of the respondents concerned. We note, for example, that around half of respondents were describing a death which occurred somewhere other than in the home of the deceased and it is possible that they were never on, or were no longer on, the premises concerned to witness the collection being made. Even when the deceased died at home, those who arranged the funeral were not necessarily present. Overall, half of respondents (51%) told us that someone else (not them)

---

[20] Market Investigation consumer survey, Tables 49-51, Question FD4. Base: all who compared funeral directors, did not compare funeral directors (but had a choice), or don't know/can't remember whether they compared funeral directors (n=207).
[21] For example, AboutTheFuneral, Beyond, DeadRight, Funeral Booker, Your Funeral Choice
[22] For example, FuneralZone, Good Funeral Guide, Google Reviews, Localfuneral.co.uk
[23] Market Investigation consumer survey, Tables 136-138, Question FDadd11B. Base: all UK adults 18+ involved in making at need burial or cremation funeral arrangements since J/A/S/O 2017 who used a funeral director (n=279).

had contacted the funeral director about collecting the body.[24] Consequently, we do not believe that the pattern of response to this question has a material impact on how the results should be interpreted.

(d) *Finding a date for the funeral*. Using a prompted question (ie, they were shown a short list of potential answers from which they selected the one closest to their experience, or gave their own 'other' response), respondents were asked to describe the way in which the first date/day for the funeral was suggested or offered to them by the funeral director.[25] Nearly one in five (19%) said they did not know/could not remember. We recognise that this was a conceptually complex question (and this was why it was one of the few questions in the survey that was prompted). Nevertheless, it appears that respondents may have struggled to answer it, and we consider that the results should be treated with a degree of caution.

(e) *Observing back-of-house facilities*. A little under half of consumers (47%) told us that they had either asked to see (9%) or the funeral director had offered to show them (38%) the funeral director's facilities for taking care of the deceased person until the day of the funeral.[26] A little over half of those who asked to see or received an offer to see the facilities for taking care of the deceased did so (56%, or 27% of all eligible respondents).[27] We note that the overall proportion of consumers saying they saw the back-of-house facilities appears to be high, relative to other sources of evidence on this aspect. It is possible that some respondents had in mind the funeral director's viewing facilities rather than their mortuary facilities when they answered in this way. Therefore, we consider that the results for this question should be treated with a degree of caution in any assessment of the extent to which consumers are familiar with, and distinguishing between funeral directors on the basis of, back-of-house quality standards.

[24] Market Investigation consumer survey, Tables 115-117, Question FD18. Base: all UK adults 18+ involved in making at need burial or cremation funeral arrangements since J/A/S/O 2017 who used a funeral director (n=279).
[25] Market Investigation consumer survey, Tables 239-241, Question FDadd4. Base: all UK adults 18+ involved in making at need burial or cremation funeral arrangements since J/A/S/O 2017 who used a funeral director (n=279).
[26] Market Investigation consumer survey, Tables 255-257, Question FDadd9. Base: all UK adults 18+ involved in making at need burial or cremation funeral arrangements since J/A/S/O 2017 who used a funeral director (n=279).
[27] Market Investigation consumer survey, Tables 258-260, Question FDadd10. Base: all who asked to see/received an offer to see the facilities for taking care of the deceased (n=132).

Consumer research evidence submitted by parties to the case

30. Parties to the case have submitted the following consumer (or customer) research evidence:

(a) Royal London (2014-2019) National Funeral Cost Index Report

(b) SunLife (2014[28]-2020) Cost of Dying

(c) [✂] (2015) Choosing a Funeral Director

(d) Co-op (2015) Simple Funeral

(e) YouGov (2015, 2017) Funeral Planning

(f) NAFD and Cruse Bereavement Care (2016) Funerals Matter

(g) Co-op (2017) At-need Package Research Presentation

(h) [✂] (2017-2019) At Need Monitor quarterly consumer surveys

(i) Co-op (2018) Making peace with death: National attitudes to death, dying and bereavement

(j) Dignity (2018) Cost, Quality, Seclusion and Time – What do UK customers want from a cremation funeral?

(k) Dignity (2018) Time to talk about quality and standards – What people assume, want and expect from funeral directors

(l) [✂] (2018) Understanding the market for direct cremations – A direct cremation pricing research study

(m) NAFD (2018) Funerals Matter

(n) [✂] (2019) [✂] and [✂] consumer surveys

(o) Simplicity Cremations (2019) Low cost and alternative funeral solutions

(p) Westerleigh (2020) Customer Survey

31. The table below summarises key technical details about these surveys (to the extent that we were able to determine the details from the information supplied about how they were conducted).

[28] SunLife's research was first conducted in 2007. However, respondent eligibility changed after the 2013 survey, so we have considered the survey results as a true time-series only for 2014 onwards.

Table 3: Consumer (or customer) research submitted by parties to the Funerals Market Investigation

Party/*Agency*		Fieldwork	Achieved sample size/ research audience profile	Recall period (in yrs)
Royal London (2014-2019) *YouGov*		August 2014	n=1,988 people *(age not stated)* who arranged a funeral	5
		June/July 2015	n=1,004 adults who organised a funeral	5
			n=2,000 adults	n/a
		May/June 2016	n=2,003 adults who organised a funeral and used a funeral director	5
			n=1,034 adults who organised a funeral and used a funeral director	
		May/June 2017	n=2,029 adults *(age not stated)* who organised a funeral	5
			n=1,006 adults *(age not stated)* who organised a funeral and used a funeral director	
		May/June 2018	n=2,102 adults *(age not stated)*	n/a
			n=1,011 funeral arrangers *(age not stated)*	?
		May/June 2019	n=3,134 funeral arrangers	5
SunLife (2014-2020)	*YouGov*	May(?) 2014	n=1,504 adults *(age not stated)* who planned a funeral and administered an estate	4
		May 2015	n=1,507 adults who planned a funeral and administered an estate	
	Critical Research	April/May 2016	n=1,509 adults (16+) who planned a funeral and administered an estate	
		May 2017	n=1,524 adults (16+) who planned a funeral and administered an estate	
		April/May 2018	n=1,547 adults (16+) who planned a funeral and administered an estate	
		May 2019	n=1,503 adults who organised a funeral	
[✂] (2015) [✂]		August 2015	n=250 adults *(age not stated) (geography not stated)*	?
Co-op (2015) [✂]		November 2015	n=188 adults *(age not stated) (geography not stated)*	n/a
YouGov (2015, 2017)		May 2015	n=1,019 adults who organised a funeral	5
			n=1,068 adults	n/s
		June 2017	n=996 adults who organised a funeral	5
			n=988 adults	n/a
NAFD/Cruse Bereavement Care (2016) *YouGov*		April 2016	n=503 GB adults who organised a funeral	5
			n=2,070 GB adults	n/a
Co-op (2017) [✂]		?	n=603 adults (45+) *(geography not stated)*	n/a
[✂] (2017-2019) [✂]		Quarterly (from Q3 2017)	n= c.300 adults (40+) who arranged a funeral[29]	1
Co-op (2018) *YouGov*		May/June 2018	n=22,664 adults (16+)	n/a
Dignity (2018) *Trajectory*		September 2017	n=2,022 cremation arrangers *(age not stated)*	3
Dignity (2018) *Trajectory*		May 2018	n=2,008 arrangers *(age not stated)*	3
			n=1,000 non-arrangers *(age not stated)*	
[✂] (2018) [✂]		March 2018	n=1,000 adults (30+) in England who arranged or paid towards a funeral [of these, n=716 arranged a funeral in the previous 12 months]	10
NAFD (2018) *YouGov*		June 2018	n=1,014 GB adults who organised a funeral	5
			n=2,041 GB adults	n/a
[✂] (2019) [✂]		April 2019	n=2,041 adults [✂] [of these, n=1,181 had arranged at least one funeral]	n/a
			n=3,114 adults who arranged a funeral [✂] [of these, n=2,125 had selected the funeral director[30]]	3
Simplicity Cremations (2019) *Trajectory*		June/July 2019	n=10,028 adults *(age not stated)*	n/a
Westerleigh (2020) *DJS*		March 2020	n=1,415 customers *(age not known)* of a Westerleigh crematorium[31]	2

Note: respondents are 18+ unless otherwise stated; geographical coverage is UK unless otherwise stated

[29] The Large funeral director that commissioned this research [✂] describes these respondents as "at need", where this definition reflects "the market at the point where a funeral is carried out … [which] includes a proportion of funerals where a funeral plan was in place". The At Need Monitor reports for Q2/Q3/Q4 2019 note that about one in five respondents per quarter ([✂]%, [✂]% and [✂]% respectively) 'had a funeral plan in place'. Consequently, not all respondents answered the survey in reference to an 'at-need funeral' in the sense defined by the CMA, ie a funeral that is purchased at the point of need.

[30] The Large funeral director that commissioned this research [✂] has submitted that respondents were the organisers of an at-need funeral. However, we note that n=358 said they had organised a funeral where "the deceased had taken out a funeral plan" in response to Q7: *Which of these best applies to the type of funeral you*

The quality of consumer research evidence submitted by parties to the case

32. We note that, with two exceptions, all of the consumer (and customer) research submitted in evidence by parties to the case was conducted online, with samples drawn from pre-recruited respondent panels.[32] As a general principle, sample bias is a concern when this methodology is used for consumer research because recruitment to the panel does not rely on randomisation methods. Thus, while a panel can be made to look like a random, representative cross-section of consumers in terms of its demographic profile, the characteristics of people who join a panel may be very different from other consumers. For example, panellists tend to be disproportionately younger and in socio-economic grades ABC, ie DEs[33] are under-represented. This can be a flaw when – say – attempting to assess genuine levels of online activity in a given market (because to be able to take part in the survey, respondents must have the means of completing an online questionnaire and be on a panel before they can be invited to participate). In particular, evidence in the research literature suggests that those who join an online panel spend more time on the internet and engage more actively than other consumers in searching for better deals online.

33. More generally, response rates to online surveys are often low (with the consequent risk of non-response bias).

34. Therefore, the CMA tends to place less evidential weight on surveys involving respondent recruitment from panels.[34]

organised? Consequently, it appears that not all respondents answered the survey in reference to an at-need funeral.

[31] Westerleigh sampled all those for whom they held an email address and had permission to recontact, and who had organised a cremation for someone age 25+. After bouncebacks, “close to 10% of all [2018/2019] customers” received an invitation to participate in the survey. The achieved sample includes n=223 customers who activated a pre-paid funeral plan which did not specify which crematorium should be used.

[32] [✄], on behalf of a Large funeral director [✄], conducted a mix of telephone + online (Q3/Q4 2017 and Q1 2018, where the majority of respondents per quarter completed an online interview), and online only surveys (Q2-Q4 2018 and Q1-Q4 2019), with the telephone samples generated using random digit dialling and the online samples derived from a pre-recruited respondent panel. Westerleigh conducted an online survey of a sample of its own customers.

[33] Socio-economic group (SEG) is a classification system based on occupation. It enables a household and all its members to be classified according to the occupation of the Chief Income Earner (CIE). The groups are most often defined as follows:
A - Higher managerial, administrative, professional, eg chief executive, senior civil servant, surgeon.
B - Intermediate managerial, administrative, professional, eg bank manager, teacher.
C1 - Supervisory, clerical, junior managerial, eg shop floor supervisor, bank clerk, salesperson.
C2 - Skilled manual workers, eg electrician, carpenter.
D - Semi-skilled and unskilled manual workers, eg assembly line worker, refuse collector, messenger.
E - Casual labourers, pensioners, unemployed, eg pensioners without private pensions and anyone living on basic benefits.

[34] See: Good practice in the design and presentation of customer survey evidence in merger cases (CMA78 revised).

35. We note, too, that eligibility for taking part in the surveys submitted by the parties is usually based on a looser definition of 'funeral arranger' [consumer/customer] than that adopted by the CMA, which may mean that respondents were less close to, or not involved at all in, key decisions about the arrangements,[35] as well as a longer recall period (see paragraph 27(d)), which may affect accuracy of recall, especially about some of the finer details.

36. To this extent, while the sample sizes achieved by the parties tend to be somewhat larger than those achieved by the CMA's Market Investigation consumer survey (and larger sample sizes tend to reduce sampling error), the samples are not necessarily representative of the populations to which the results have been generalised.

37. In summary, we consider that the Market Investigation consumer survey adopts the more robust survey methodology compared with the consumer research evidence submitted by parties to the case and, in turn, provides the more reliable results. In our Provisional Decision report (and this appendix) we have used the Market Investigation consumer survey results as the basis for our analysis, except where the parties' research has covered topics not addressed in our questionnaire but of some pertinence to the case.

Changing consumer behaviour?

38. In this section we address, in detail, what the survey evidence we have assessed reveals about two areas of consumer behaviour in the funerals market, specifically:

(a) The extent to which consumers 'shop around' for a funeral director; and

(b) The extent to which consumers use the internet to find a funeral director.

39. In doing so, it is important to note that when we compare across survey results from a range of sources, we are rarely comparing like-with-like: differences in survey methodology, research objectives, achieved sample profiles/respondent eligibility (and sub-group definitions), overall questionnaire content, individual question wording or format, and (even) the time of year in which fieldwork was conducted may account – alone or in combination – for the differences we observe in the findings for ostensibly similar questions.

---

[35] For example, amongst respondents who took part in [✄] survey on behalf of a Large funeral director [✄], almost half of those who were treated in the analysis as someone who had organised/arranged a funeral [✄] said they had "*helped* to organise/arrange a funeral for a friend or family member" [our emphasis], not that they had been "*responsible for* organising/arranging a funeral for a friend or family member [our emphasis]. Source: CMA analysis of [✄] consumer survey dataset.

Consequently, any conclusions we draw from such comparisons should be regarded as indicative rather than definitive.

Comparing funeral directors (shopping around)

40. As noted at paragraph 29(a), only a minority of respondents to the CMA's Market Investigation consumer survey compared the services of two or more funeral directors when deciding which one to use (17%),[36] a finding which was in line with the results of the CMA Market Study consumer survey.[37] Collectively, almost all of those who had made a comparison told us they had compared either two (n=23/48) or three (n=17/48) different providers.[38]

41. For these respondents, the point of comparison most frequently mentioned was specific price information (n=15, equivalent to 5% of all eligible respondents). Availability/waiting times, location and/or reputation/customer ratings were also mentioned by at least one in five 'comparers' as something they had compared on.

Table 4: Information used by consumers to compare funeral directors

	n
Specific price information (e.g. an estimate or quote for the funeral you were arranging)	15
Availability/flexibility re. dates for the funeral (waiting times)	11
Location/proximity	11
Reputation/customer ratings	10
Range of funerals offered	7
General information about prices (e.g. example/headline/indicative costs given by telephone/ by email/ on the website)	6
Standard of their care for/respect for the remains of the deceased	6
Whether capable of meeting our personalisation/bespoke requirements	5
Number of years in business	4
Ownership (i.e. large brand or independent)	1
Standard of their vehicles (e.g. make/model, age, size, reliability, cleanliness etc.)	1
Whether capable of meeting the specific requirements for my/our faith	1
Other	4
Don't know/can't remember	3
Compared on a single factor	*21*
Compared on two or more factors	*25*
Any cost comparison	*21*

Source: Market Investigation consumer survey
Base: 48 (all who compared funeral directors)

[36] Market Investigation consumer survey, Tables 40-42, Question FD1+FD2 (SUMMARY). Base: all UK adults 18+ involved in making at need burial or cremation funeral arrangements since J/A/S/O 2017 who used a funeral director (n=279).
[37] Market Study consumer survey, Tables 15-16, Question WOQ1/A (SUMMARY). Base: all UK adults 18+ involved in making at need burial or cremation funeral arrangements since J/A/S/O 2016 who used a funeral director (n=331). Of these, 14% said they had compared the services of two or more funeral directors.
[38] Market Investigation consumer survey, Tables 73-75, Question FD10. Base: all who compared funeral directors (n=48).

42. The survey results indicated that those who compared providers were more likely than average to mention cost as the most important driver of their choice of funeral director.[39]

43. However, the Market Investigation mystery shopping revealed that those consumers who were minded to compare funeral directors on price might have difficulties doing so – for example, over half of websites (51%) that could be audited provided no at-need funeral cost/price information at all.[40]

44. Parties to the case have put to the CMA that a growing number of consumers are shopping around between funeral directors.

(a) In response to a 2019 [✂] survey for [✂], 32% of those who selected the funeral director said they had "considered" two or more different funeral providers,[41] which represented an increase of 12 percentage points on results in the previous year.

(b) [✂] quarterly At Need Monitor surveys (Q3 2017 onwards) on behalf of a Large funeral director [✂] found that:

(i) At any one time, up to 46%[42] of funeral arrangers [consumers] surveyed said they had "looked at" or "got contact details" for more than one funeral director. (A proportion of these respondents had arranged a funeral where the deceased had a funeral plan in place.)

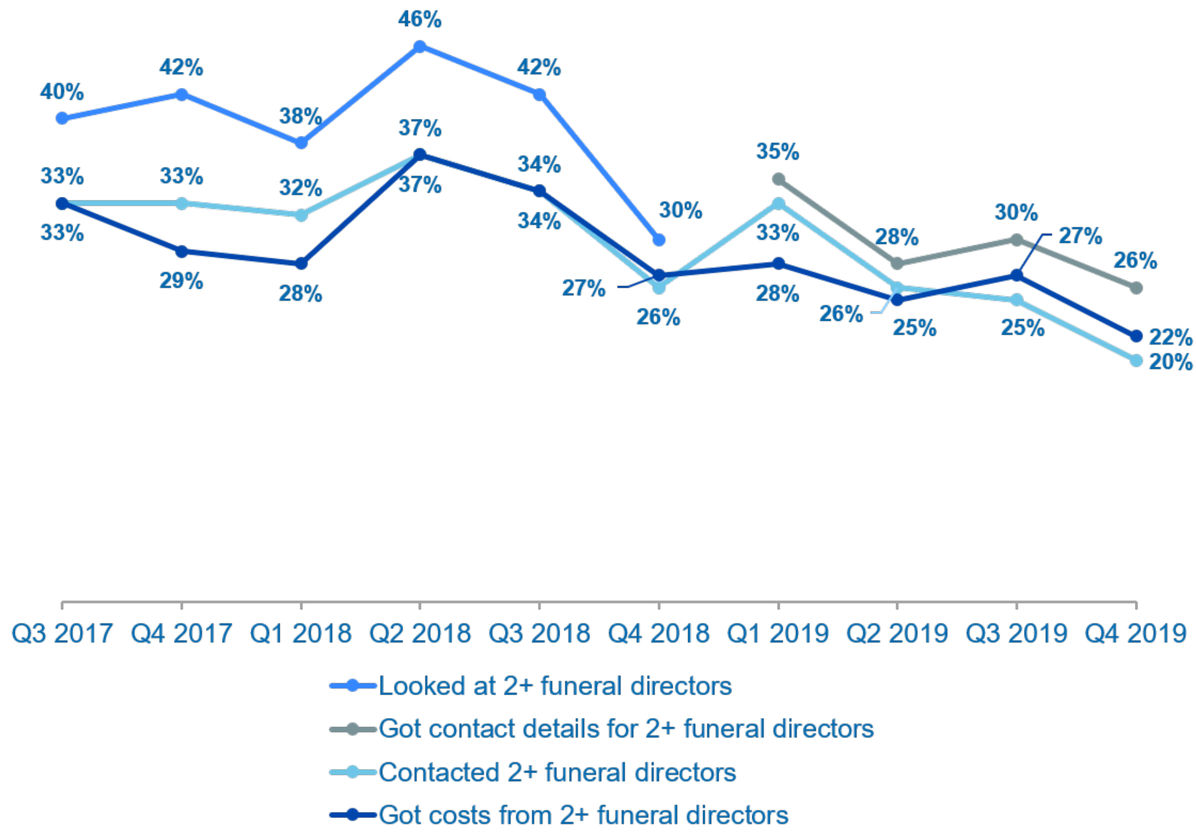
(ii) At any one time, up to 37%[43] of funeral arrangers [consumers] surveyed contacted more than one funeral director. (A proportion of these respondents had arranged a funeral where the deceased had a funeral plan in place.)

(iii) At any one time, up to 37% of funeral arrangers [consumers] surveyed contacted more than one funeral director. (A proportion of these respondents had arranged a funeral where the deceased had a funeral plan in place.)

[39] Market Investigation consumer survey, Tables 55-57, Question FD6a. Base: all with a choice of funeral director (n=242). In their choice of funeral director, 4% of respondents at this question made any mention of cost (*their value for money* or *their prices*) as the most important factor in their choice of funeral director (equivalent to 4% of all eligible respondents). This contrasts with n=6/48 comparers who made any mention of cost as the most important factor in their choice of funeral director. (Indicative finding: small base size.)
[40] Market Investigation mystery shopping, page 26. Base: all working websites (n=100). In total, a random sample of 120 funeral director branches was drawn – see paragraph 56ff for more details.
[41] Source: CMA analysis of [✂] (April 2019). Q28: How many different funeral providers did you consider? Base: all [✂] who had selected the funeral director (n=2,125).
[42] [✂] Base: funeral arrangers (n=318).
[43] [✂] Base: funeral arrangers (n=318).

(iv) There has been a "steady decrease" over time in the proportion of funeral arrangers [consumers] (including arrangers of pre-paid funerals) surveyed who (i) consider (look at/get contact details for), (ii) contact, and (iii) get costs from two or more funeral directors, as can be seen in Figure 1 below.

Figure 1: Proportion of funeral arrangers (consumers) who 'shop around' ([✂] At Need Monitor data)



Source: CMA analysis of [✂] At Need Monitor consumer survey data, Q3 2017-Q4 2019
Base: funeral arrangers (n=304, Q3 2017; n=376, Q4 2017; n=315, Q1 2018; n=318, Q2 2018; n=312, Q3 2018; n=310, Q4 2018; n=310, Q1 2019; n=306, Q2 2019; n=300, Q3 2019; n=300, Q4 2019)

(c) [✂] Trajectory research for Dignity in 2018 found that 21% of those surveyed "considered more than one funeral director"[44] (and this, it is noted, is a level of shopping around which is "low by comparison to other sectors"). Those who shopped around were most likely to say they were looking for "an idea of how much [the funeral] would cost" (53%, equivalent to 11% of the achieved sample of funeral arrangers). In addition, a little over a third of these respondents were looking for "the

[44] Dignity (2018). Time to talk about quality and standards, page 6. Base: funeral arrangers (n=2,008).

best price" (35%, equivalent to 7% of the achieved sample of funeral arrangers).[45]

(d) A Large funeral director [✂] (2018) found that 27% of respondents who had arranged a funeral in the previous 12 months (equivalent to 19% of the achieved sample) 'shopped around' before deciding on a funeral director,[46] although – of these – only a minority (27%, equivalent to 5% of the achieved sample) *contacted* two or more funeral directors.[47] Those who shopped around were most likely to say that their final choice of funeral director was "primarily based" on cost.[48]

(e) In 2016, a YouGov survey on behalf of the NAFD and Cruse Bereavement Care found that 10% of those who organised a funeral in the previous five years had compared the prices of different funeral directors.[49] In 2018, YouGov's survey for the NAFD found that 15% of those who organised a funeral in the previous five years and chose the funeral director (equivalent to 11% of the achieved sample) had compared the prices of different funeral directors.[50]

(f) Since 2016, Royal London has consistently found that around 1 in 20 funeral arrangers [consumers] "shopped around" as a means of "keeping a lid on funeral costs".[51] The 2016 report notes that, "Unlike many items we purchase, consumers do not tend to shop around for funerals and less so when a death has occurred …".

(g) SunLife's annual Cost of Dying research has shown an upwards trend over time (from a reasonably low baseline) in the proportion of funeral arrangers [consumers] who obtained quotes from two or more funeral directors, although this now appears to be levelling off (see Table 5). Figures for 2008 and 2009 are not directly comparable with those for 2014

---

[45] Dignity (2018). Time to talk about quality and standards, page 18. Base: funeral arrangers who shopped around (n=422).
[46] [✂] (2018). Q6a: Did you shop around before deciding on the funeral director you chose? Base: those who arranged a funeral in the previous 12 months (n=716).
[47] [✂] (2018). Q6b: How many funeral directors did you contact? Base: those who arranged a funeral in the previous 12 months and shopped around (n=193).
[48] [✂] (2018). Q6c: Was your final choice primarily based on …? Base: those who arranged a funeral in the previous 12 months and shopped around (n=193).
[49] NAFD/Cruse Bereavement Care (2016). CWN_Q2a: Did you compare the prices of different funeral directors (i.e. prior to making a selection)? Base: those who organised a funeral in the last 5 years (n=503).
[50] NAFD (2018). NMF_Q5a: Did you compare the prices of different funeral directors (i.e. prior to making a selection)? Base: those who organised a funeral in the last 5 years and chose the funeral director (n=792).
[51]
(i) Royal London (2016). Signs of Life … The Royal London National Funeral Cost Index Report, page 30.
(ii) Royal London (2017). A False Dawn … The Royal London National Funeral Cost Index Report, page 21.
(iii) Royal London (2018). Buried in Debt … The Royal London National Funeral Cost Index Report, page 25.
(iv) Royal London (2019). Change on the Horizon? The Royal London National Funeral Cost Index Report, page 20.

onwards (see footnote 28), and the survey results are no longer available for 2010-2013 or 2016[52], but the indications are that the number who obtain more than one quote from a funeral director has broadly doubled in the past decade (although is still relatively low).

Table 5: Consumers who obtained 2+ quotes from funeral directors (SunLife data)

	2008	2009		2014	2015		2017	2018	% 2019
Two or more	(10)	(9)	…	12	12	…	18	20	19

Source: CMA analysis of SunLife Cost of Dying consumer survey data; Q: How many quotes, if any, did you obtain from funeral directors for this funeral?
Base: funeral organisers (n= c.1,500, 2008; n= c.1,500, 2008; n=1,504, 2014; n=1,507, 2015; n=1,524, 2017; n=1,547, 2018; n=1,503, 2019)

(h) YouGov found in 2015 that 8% of funeral arrangers [consumers] had obtained quotes from two or more funeral directors, but by 2017 the number doing so had declined significantly to 5%.[53]

45. Taking this evidence in the round, we have provisionally concluded that:

(a) The proportion of consumers who consider more than one funeral director is low. None of the evidence we assessed found that – in the last year or so – more than one in three consumers compared funeral directors and, on the whole, the evidence indicates that considerably fewer do so.

(b) The proportion who compare funeral directors on price is lower still.

(c) There is some evidence that the proportion of consumers who shop around is growing year-on-year, but at a modest rate and from a low base.

Finding a funeral director using the internet

46. As noted at paragraph 29(b), only a minority of those with a choice (whether exercised or not) of funeral director said spontaneously that they had used either a price comparison website (1%),[54] or an online directory/reviews-based comparison website (<%),[55] to find out about the funeral director they

[52] We note that the tabulations from the 2016 survey were provided to the CMA by the party. However, these provide a statistic only for the proportion of funeral organisers who obtained *at least one* quote (65%); there is no further breakdown of how many got one quote versus those who got two or more. The research agency was unable to provide the figure separately because the 2016 dataset (in line with best practice data retention policies) was destroyed some time ago.
[53] Source: YouGov Funeral Planning Market Report. Q21: How many quotes did you receive from funeral directors? Base (2015): those who organised a funeral in the last 5 years (n=1,236); Base (2017): those who organised a funeral in the last 5 years (n=1,156). Not all respondents answered the surveys in reference to an at-need funeral.
[54] For example, AboutTheFuneral, Beyond, DeadRight, Funeral Booker, Your Funeral Choice
[55] For example, FuneralZone, Good Funeral Guide, Google Reviews, Localfuneral.co.uk

used, while 5% reported that they had searched online using a search engine/browser.[56] Cumulatively, 5% of all eligible respondents found out about the funeral director they used by searching online.

47. Over two-thirds (68%) of respondents to our consumer survey said they had some idea about the cost of the funeral prior to the arrangement meeting with the funeral director they used.[57] Of these, 5% got this information from the funeral director's own website, and 2% got it from another funeral director's website.[58]

48. By way of context, a 2019 statistical release from the ONS[59] reports that:

(a) 87% of GB adults age 16+ use the internet daily. This represented a 32 percentage point increase over the previous decade.

(b) Older adults use the internet less frequently: 10% of 55-64 year olds, and 24% of 65+ year olds, had not used the internet in the last three months.

(c) 82% of GB adults age 16+ had bought goods or services online in the previous 12 months. This compared with 61% in 2009.

(d) Older adults were less likely to have bought goods or services online: 77% of 55-64 year olds, and 54% of 65+ year olds had done so. This compared with 52% and 20% respectively in 2009.

49. Likewise, the Ipsos MORI Technology Tracker[60] reports that while 55% of all GB adults age 15+ use a smartphone, tablet or computer to shop online for

---

[56] Market Investigation consumer survey, Tables 49-51, Question FD4. Base: all who compared funeral directors, did not compare funeral directors (but had a choice), or don't know/can't remember whether they compared funeral directors (n=207).
[57] Market Investigation consumer survey, Tables 160-162, Question FD27. Base: all UK adults 18+ involved in making at need burial or cremation funeral arrangements since J/A/S/O 2017 who used a funeral director (n=279).
[58] Market Investigation consumer survey, Tables 163-165, Question FD28. Base: all with an idea of the funeral cost prior to the arrangement meeting (n=182).
[59] Source: Office for National Statistics, Internet access – households and individuals, Great Britain: 2019
[60] Source: Ipsos MORI, Technology Tracker Q1 (April 2020). Q04: Which device or devices, if any, do you use for the following activities? Shopping for groceries, goods or services. Base: GB adults aged 15+ (n=1,004). Further breakdowns of the data presented on slide 24 of Ipsos MORI's publication were provided to the CMA on request:

groceries, good or services, older respondents (age 55+) and those in socio-economic grades DE are significantly less likely to do so.

50. Parties to the case have put to the CMA that customer use of the internet in finding a funeral director is higher than our survey findings suggest, has been growing, and will continue to grow.

(a) [✂] 2019 [✂] survey found that:

(i) 16% of respondents who selected the funeral director said that an online method (search engine, online forum or online comparison website) was a factor in how they chose their funeral director,[61] with 4% saying it was the *most important* factor.[62] Younger respondents were significantly more likely than those in other age groups to say that online methods were most important.[63]

(ii) Most frequently, respondents who selected the funeral director said that face-to-face was their 'preferred way' of handling various steps in organising a funeral. However, as can be seen in Table 6 below, large minorities identified online as their 'preferred way' of handling a number of these steps, especially those related to seeking information/background research:

	Base	*%* *Use any device*
All	*1004*	*55*
Age		
15-34	*268*	*63*
35-54	*290*	*67*
55+	*446*	*40*
Social Grade		
AB	*281*	*63*
C1	*324*	*63*
C2	*186*	*51*
DE	*213*	*43*
ABC1	*605*	*63*
C2DE	*399*	*47*

Source: Ipsos MORI

[61] Source: CMA analysis of [✂] (April 2019). Q29C1: How did you choose your funeral provider (most important factor)? + Q29C2: How did you choose your funeral provider (other factors)? Base: all [✂] who had selected the funeral director (n=2,125).
[62] Source: CMA analysis of [✂] (April 2019). Q29C1: How did you choose your funeral provider (most important factor)? Base: all [✂] who had selected the funeral director (n=2,125).
[63] Source: CMA analysis of [✂] (April 2019). Q29C1: How did you choose your funeral provider (most important factor)? Base: all [✂] who had selected the funeral director (n=2,125). By age, 9% of those age 18-34 (n=371) said online was the *most important* factor, compared with 5% of 35-49 year olds (n=524), 3% of 50-69 year olds (n=1,068) and 2% of those age 70+ (n=162).

Table 6: Preferred way to handle funeral steps – online method ([✂] data)

			%
	*Face-to-face**	*Telephone*	*Online*
Researching funeral care providers	39	8	36
Review prices for different options	66	7	19
Researching what needs to be done	69	6	18
Paying for the funeral	55	7	16
Exploring options for planning the funeral	74	9	12
Choosing a cremation urn or headstone	62	5	10
Planning out/designing the order of service	74	5	8
Initial contact with funeral care providers	58	31	7
Making the arrangements for the funeral	83	6	7

Source: CMA analysis of [✂] consumer survey data; Q45: Preferred way to handle funeral steps, ranked by 'online'
Base: all [✂] who had selected the funeral director (n=2,125)
* All selecting *face-to-face: at home* or *face-to-face: in the funeral home* combined

(b) [✂] 2019 [✂] survey found that:

(i) 29% of respondents said they would use an online method (search engine, online forum or online comparison website) to find and choose a funeral director,[64] with 11% saying it would be the *most important* method.[65] Younger respondents were significantly more likely than those in other age groups to say they would use an online method.[66]

(ii) Most frequently, respondents said that face-to-face would be their 'preferred way' of undertaking 'key steps' in the process of organising a funeral. However, as can be seen in Table 7 below, large minorities anticipated that online methods would be their 'preferred way' of doing a number of these steps, especially those related to seeking information/background research. [✂] also submitted (non-survey) evidence that by April 2019 its website was receiving an average of c. [✂] unique visitors per month (compared with c. [✂] at the start of 2018)[67], and has stated that [✂] "[c]ustomers arranging funerals will increasingly be consumers in the demographics more used to researching online".

[64] Source: CMA analysis of [✂] (April 2019). Q8: In the event you needed to organise a funeral in the near future, which of these would you use to find and choose a funeral provider? Base: all [✂] (n=2,041).
[65] Source: CMA analysis of [✂] (April 2019). Q9: Which of these do you think would be the most important? Base: all [✂] (n=2,041).
[66] Source: [✂] + CMA analysis of [✂] (April 2019). Q8: In the event you needed to organise a funeral in the near future, which of these would you use to find and choose a funeral provider? Base: all [✂] (n=2,041). By age, 48% of those age 18-34 (n=590) said they would use an online method, compared with 33% of 35-49 year olds (n=485), 18% of 50-69 year olds (n=742) and 8% of those age 70+ (n=224). It would be the main choice driver for 20% of 18-34 year olds, compared with 12% of 35-49 year olds, 6% of 50-69 year olds, and 4% of those age 70+.
[67] Source: this had further increased to c. [✂] unique visitors per month by January 2020.

Table 7: Preferred way of doing key steps – online method ([✂] data)

	*Face-to-face**	*Telephone*	*% Online*
Researching funeral care providers	42	8	38
Researching alternatives to a traditional funeral	42	6	35
Reviewing prices for different options	50	9	32
Researching what needs to be done	64	6	22
Paying for the funeral	54	6	20
Exploring options for planning the funeral	65	9	18
Choosing a cremation urn or headstone	67	5	14
Planning out/designing the order of service	73	4	12
Initial contact with funeral care providers	51	32	11
Making the arrangements for the funeral	78	5	10

Source: CMA analysis of [✂] consumer survey data; Q10: Thinking about the key steps in the process of organising a funeral, what would be your preferred way of doing these?, ranked by 'online'
Base: all [✂] (n=2,041)
* All selecting *face-to-face: at home* or *face-to-face: in the funeral home* combined

(c) Between Q3 2017 and Q4 2019, quarterly At Need Monitor surveys by [✂] on behalf of a Large funeral director [✂] found that no more than 1 in 20 funeral arrangers surveyed got a quote via a funeral director's website.[68] This research also found that (between Q3 2017 and Q4 2019) 32%[69] of those who "looked at/got contact details for" more than one funeral director, equivalent to 11% of all funeral arrangers surveyed (n=3,151), searched on the internet for contact details.[70] However, the same Large funeral director [✂] also submitted (non-survey) evidence that in April 2019 its website had received c. [✂] visitors (compared with c. [✂] in January 2018), and stated that an increase in digital activity and engagement by consumers has been a significant market change.[71]

(d) A Large funeral director [✂] (2018) found that 12% of respondents who had arranged a funeral in the previous 12 months (equivalent to 9% of the achieved sample) 'searched online' when deciding which funeral director to contact.[72]

(e) In 2016, a YouGov survey on behalf of the NAFD and Cruse Bereavement Care found that 4% of those who organised a funeral in the previous five years did so by checking funeral directors' websites, and <%

[68] Q: How did you request the quote you eventually took out. Base: funeral arrangers (n=304, Q3 2017; n=376, Q4 2017; n=315, Q1 2018; n=318, Q2 2018; n=312, Q3 2018; n=310, Q4 2018; n=310, Q1 2019; n=306, Q2 2019; n=300, Q3 2019; n=300, Q4 2019). Between [✂]% and [✂]% per quarter requested a quote via their funeral director's website. In Q2/Q3/Q4 2019, about one in five respondents per quarter 'had a funeral plan in place'.
[69] Q: How did you find the details to be able to contact the funeral director? Base: all who looked at/got contact details for more than one funeral director (n=1,121).
[70] The proportion of funeral arrangers (consumers) who looked/got contact details for one funeral director and searched on the internet for contact details could not be discerned from the data as provided by the party to the CMA. The proportion of all funeral arrangers (consumers) surveyed who searched on the internet for contact details may be somewhat higher than these findings suggest, therefore.
[71] This had further increased to c. [✂] website visits in January 2020.
[72] [✂] (2018). Q4a: How did you decide which funeral director to contact? Base: those who arranged a funeral in the previous 12 months (n=716).

used a price comparison or review website.[73] In 2018, YouGov's survey for the NAFD found that 7% of those surveyed had searched for a funeral director to use by checking 'a particular funeral director's website', 7% had searched 'for all local funeral directors on the internet', and 1% had checked a price comparison or review website to compare different funeral directors.[74]

(f) Meanwhile, YouGov's survey of adults for the NAFD and Cruse Bereavement Care in 2016 asked respondents to imagine that they were planning a funeral for a loved one. In these circumstances, 17% anticipated using an internet search, and 9% an online comparison site/reviews, to help them choose a funeral director.[75] When YouGov asked the same question in 2018 for the NAFD, 19% of adults surveyed anticipated using an internet search, and 7% an online comparison site, to help them choose.[76]

(g) Since 2017, Royal London has found that 1% of funeral arrangers [consumers] used a funeral cost comparison site as a "strategy to keep funeral costs down".[77]

(h) In 2015, and again in 2017, YouGov found that 6% of funeral arrangers [consumers] who used a funeral director not chosen by the deceased had searched online to find a funeral director.[78] The 2017 report notes that, "Online search is a minority pursuit …".

---

[73] NAFD/Cruse Bereavement Care (2016). CWN_Q1: In which, if any, of the following ways did you find the funeral director you used? Base: those who organised a funeral in the last 5 years (n=503). This was a multiple response question; some respondents may have selected both answers. We note that the percentage saying 'used a price comparison or review website' has been rounded down and is shown in the tables as 0%. However, a small number of respondents did select this as an answer.
[74] NAFD (2018). NMF_Q1ab: In which, if any, of the following ways did you search for funeral directors to use? Base: those who organised a funeral in the last 5 years (n=1,014). This was a multiple response question; some respondents may have selected two or all three answers. The 'all giving one or more of these answers' proportion could not be discerned from the data as provided by the party to the CMA.
[75] NAFD (2016). QWN_Q9. For the following question, please imagine you were planning a funeral for a loved one and needed to choose a funeral director … Which, if any, of the following sources of information do you think you would use to help you choose a funeral director? Base: all GB adults online (n=2,070). This was a multiple response question; some respondents may have selected both answers.
[76] NAFD (2018). QWN_Q9. Please imagine you were planning a funeral for a loved one and needed to choose a funeral director. Which, if any, of the following sources of information do you think you would use to help you choose a funeral director? Base: all GB adults online (n=2,041). This was a multiple response question; some respondents may have selected both answers.
[77]
(i) Royal London (2017). A False Dawn … The Royal London National Funeral Cost Index Report, page 21.
(ii) Royal London (2018). Buried in Debt … The Royal London National Funeral Cost Index Report, page 25.
(iii) Royal London (2019). Change on the Horizon? The Royal London National Funeral Cost Index Report, page 20.
[78] Source: YouGov Funeral Planning Market Report. Q20: Which of these methods did you use when looking for a funeral director to use? Base (2015): those who organised a funeral in the last 5 years and used a funeral director not chosen by the deceased (n=760); Base (2017): those who organised a funeral in the last 5 years and used a funeral director not chosen by the deceased (n=709). Not all respondents answered the surveys in reference to an at-need funeral.

51. Taking this evidence in the round, we have provisionally concluded that:

(a) Use of the internet by consumers in this market is low in comparison with other markets.

(b) Currently, few consumers use the internet to compare funeral directors or get information on at-need funeral prices. Using the internet to find more generic information (eg an initial search to find local funeral director businesses and contact details) is more common.

(c) However, there is evidence that use of the internet in this market is growing and will become more prevalent, especially as younger consumers (who have an existing propensity to transact online compared with their older peers) mature.

Other CMA consumer-related research evidence

52. In this section, we set out the methodologies used by the CMA to gather other consumer-related research evidence also described in the Provisional Decision report.

Market Investigation REA

53. As part of our evidence-gathering, we contracted NatCen, an independent social research agency, to undertake a Rapid Evidence Assessment (REA) as part of the CMA's evidence-gathering for the Funerals Market Investigation (**the Market Investigation REA**). This REA, which was conducted between December 2019 and March 2020, was undertaken to provide a structured and objective synthesis of literature relating to the impact (if any) of grief/bereavement on the decision-making and purchasing behaviours of funeral consumers (those arranging an at-need funeral).

54. The REA explored three research questions:

(a) the nature and scale of the effect (if any) of recent grief/bereavement on consumers' decision-making capacity and purchasing behaviour;

(b) the nature and scale of the effect (if any) of comparable emotional states on decision-making capacity and purchasing behaviour; and

(c) what interventions have been used to address/remedy deficits in consumers' decision-making capacity and purchasing behaviours caused by grief/bereavement or comparable emotional/mental states.

55. NatCen's full report on the findings from their four-stage REA, which resulted in the extraction of 39 papers of relevance to the three research questions, was published on the CMA website on 13 August 2020.

Market Investigation mystery shopping

56. The CMA commissioned Ipsos MORI to conduct telephone/website mystery shops (one of each) with a random sample of 120 funeral director branches (**the Market Investigation mystery shopping**).

57. The overall objective of the research was to find out what pricing information (if any) funeral directors will provide to consumers who make an enquiry about funeral costs via the telephone (telephone mystery shops) and what price information (if any) they provide on their website (web audits).

58. Fieldwork was conducted in August 2019.

59. Table 8 below provides a breakdown of outcomes from the mystery shops. A total of 114 telephone mystery shops and 100 website audits were completed.

Table 8: Mystery shopping outcomes

		n
Starting sample: 120 funeral director branches		
Of which …	*Telephone mystery shops*	*Website audits*
Business could not be located (business dissolved etc.)	4	4
Duplicate (branch shares telephone number with another sampled branch)	1	-
Telephone number unobtainable during fieldwork	1	-
Duplicate (branch shares website with another sampled branch)	-	6
Website inaccessible/down during fieldwork	-	1
Branch is in business but does not appear to have a website	-	6
Useable sample	**114**	**103**
Of which …		
Mystery shopper spoke to a funeral director	106	-
Mystery shopper could not get through	8	-
Website was working (live and had basic functionality)	-	100
Website was static page/business directory listing only	-	3

Source: Market Investigation mystery shopping

60. Ipsos MORI's full report on the findings from the mystery shopping research was published on the CMA website on 30 January 2020.

Market Study consumer research

61. During the Funerals Market Study, the CMA commissioned the independent research agency Research Works to conduct qualitative research (**the Market Study consumer research**) with consumers to explore the behaviour, experiences and decision-making of people who had recently engaged the services of a funeral director when arranging an at-need funeral.

62. Fieldwork – which took the form of 80 x 1-hour individual in-depth interviews and 20 x 1.5-hour paired in-depth interviews – was conducted in July and August 2018 with participants from across the UK. So far as possible, interviews were conducted face-to-face.

63. Those who took part in the research represented a good cross-section of consumers in terms of funeral type (burial or cremation), funeral director type (Co-op, Dignity or independent), age, sex and socio-economic group.

64. A semi-structured discussion guide was used to carry out the interviews, to ensure key topics were explored in enough detail but also allowing the flexibility to explore issues raised spontaneously by individual consumers. The discussion guide was developed and finalised by Research Works in consultation with the CMA.

65. Research Works' full report on the findings from the qualitative research was published on the CMA website on 16 October 2018.