

# **SAIF's response to the Competition and Markets Authority report Oct 2018**

*Terry Tennens, SAIF Chief Executive*

The Competition and Markets Authority recently released the findings of its research into the funeral market, along with a summary of responses from organisations, businesses and the public, of which SAIF was one. The papers point to cultural norms dictating the way the funeral market works, rather than a conspiracy by the funeral profession to exploit bereaved people. Nevertheless, at SAIF we can see why this might be problematic, given that there is an expectation that everyone has a funeral when they die.

According to the CMA's research, the overwhelming cultural norm seems to be that most families choose a funeral director based on the fact that they know them, have been recommended by a friend or relative, or the choice has already been decided by the deceased. The papers seem to suggest that this might change if there was greater awareness of price variations. That's possible, but we suspect that many people will continue to opt to use the services of someone they know rather than risk placing something as important as a funeral into the hands of a stranger, regardless of any potential cost saving.

Reservations aside, SAIF will be attempting to address this at national level in the coming months in a way intended to benefit both the public and our members. It's important that families are aware that independent funeral directors offer best value alongside quality of service, as a steady stream of rigorous research over a number of years has shown.

The CMA research also suggests that the market would function better if all funeral directors with a website placed their prices online in a standardised format. SAIF is ahead of the game here, having already urged our members to do just this as soon as possible.

According to the research, people had a ballpark expectation of the fees they might pay for a funeral, and that most didn't scrutinise these fees. We know from our own experience, that people are uncomfortable talking about costs or doing anything that might dishonour the memory of their loved one. We're reminded then of the unique service funeral directors provide at a most vulnerable time, and the importance of firms belonging to a trade association with a strong code of practice with accompanying complaints and redress procedures.

As a sector, we need to find a way of talking about costs that doesn't come across as insensitive to a bereaved person, whilst equipping them with the clearest possible information to assist with their purchase decision. It seems the government wants to change the culture of the customer journey, but it will struggle to force consumers to change their behaviour. Therefore, what trade associations like SAIF offer is consumer protection by regulating their members to conform to a set of standards for their clients.

The CMA papers also show that there is a lack of awareness about impartial advice when it comes to conducting a funeral. At SAIF we think this is less about the advice being available and more about people not wanting to contemplate the taboo topic of death. The information exists through organisations like Citizens Advice which, by the way, advise using a funeral director who adheres to a code of practice. Again, cultural norms are at play here.

Separately, the CMA's summary of responses from individuals makes for interesting reading. There are two areas where we have concerns. Firstly, there is a claim that trade association codes of practice do not offer consumer protection. Whilst we admit that we could always do more, we are proud of the SAIF Code of Practice, which has been informed in its development by the predecessor of the CMA, the Office of Fair Trading.

Our code requires members to provide a detailed estimate of costs to clients and provide well-appointed and well-maintained areas for care of the deceased. SAIF members are also required to give details of their complaints process and how to contact SAIF's Professional Standards Committee. If the client is still dissatisfied they are able to pursue conciliation or arbitration through the Centre for Effective Dispute Resolution.

The second concern relates to transparency of ownership. The national chains are not doing enough to make bereaved people aware who the real owner of their funeral homes is. National businesses are presenting themselves as independent funeral directors. We challenge them to rebrand under their true name - for the sake of bereaved people.

So, what are the next steps? In a matter of weeks, the Competition and Markets Authority will present its interim report. This could very well set the UK funeral profession on a new path. Transparency is likely to be the watchword.

With that in mind, we encourage all our members to consider how they could be more transparent, whether it's through online pricing or different funeral options. Your best policy is to stay ahead of the game and continue to provide families with the choice, care and value for which you are renowned.