

M E M O R A N D U M

DATE: Friday 4 December 2020

TO: Competition, costs and pricing in the NSW Funeral Industry
Independent Pricing and Regulatory Review
PO Box K35
Haymarket Post Shop NSW 1240

FROM: Managing Director, InvoCare Limited

RE: Submission re. Competition, costs and pricing in the NSW Funeral Industry Review

IPART Review of Competition Costs and Pricing in the Funeral Industry

InvoCare Limited's response to IPART's Issues Paper

December 2020

1. Executive Summary

InvoCare welcomes the opportunity to assist the Independent Pricing and Regulatory Tribunal (**IPART**) with its review of competition costs and pricing in the funeral industry.

Over the years, the funeral industry has evolved to keep pace with changing customer preferences. Today it is a highly competitive industry, with more than 1,200 participants across Australia offering a full range of options at various price points, from simple, low-cost cremations to bespoke full-service funerals.

The range and choice of services is seen within InvoCare's own brands, which in NSW include simple and affordable offerings from Value Cremations and Simplicity Funerals through to bespoke White Lady Funerals' and premium traditional offerings. This range enables InvoCare customers to elect the service that is most appropriate for them.

While price is a consideration in choosing a funeral service, a consumer's choice will be influenced by a combination of factors, including their culture, faith, personal values and financial position together with word-of-mouth referrals, previous experience and the locality and quality of facilities. In addition, while some consumers want the expert advice offered by a funeral director or funeral service provider – and accept the associated costs involved – others prefer arranging services themselves.

These choices and preferences are catered for by the various options and prices points offered by InvoCare and the numerous other operators that make up the wider industry.

More recently, competition in the industry – and consumer choice and control – have been enhanced by the entry of new online providers offering low-priced digital services and 'no attendance, no service' funeral and cremation services. In some cases, these are 'virtual' operators, which outsource services to third-party providers to avoid the high capital costs traditionally associated with the establishment of a vertically integrated funeral director.

Digital technology is giving more power to consumers, who, in InvoCare's experience, are increasingly researching funeral directors and the choice of services when planning a funeral.

InvoCare believes that the range of providers and choice of services emerging in the funeral industry is likely to increase in the future.

While this demonstrates that barriers to entry to the industry are low and consumer choice is increasing, it does raise the importance of ensuring funeral directors meet minimum standards, including around customer service and pricing information. InvoCare is bound by the Australian Funeral Directors Association's Code of Ethics and Code of Professional Conduct and supports the new NSW Information Standard for Funeral Goods and Services.

While IPART's examination of costs and pricing in the funeral industry is welcome, InvoCare believes consumers are well-served by the choices on offer across the industry, with established and new participants competing on price, reputation and service.

2. Specific Questions

InvoCare's comments on each of the questions set out in the Issues Paper are below.

2.1 Question 1(a) - What are your views on the range of providers and choices of services emerging in the funeral industry?

A consumer's choice of funeral services will be influenced by a combination of factors, including their culture, faith, personal values and financial position, and may change over time. Consumers from different backgrounds may have significantly different funeral requirements and may place more value on some services over others. IBISWorld¹ found that the decline in Christianity in Australia and increasing prominence of other religions had affected demand for various services. For example, Buddhists generally prefer cremation over burial and if a consumer is organising a Jewish funeral, they will not want to have an open casket or organise a viewing. Even within cultural or religious groups, consumers may have significantly different funeral preferences and requirements.

The funeral industry has been required to respond to changing consumer funeral preferences over time and this is likely to continue as the make-up of Australia's population evolves. Consumers value the ability to choose services that meet their individual requirements, and funeral directors need to be flexible in the way they operate and the range of services they offer to meet expectations.

Existing providers have increased the range of products they offer. Differences in consumers' funeral preferences have also paved the way for new providers to enter the market and offer bespoke products, sometimes with quite different operating models. These include 'no attendance, no service' models and providers that outsource almost all of their operations and provide, in essence, an aggregation service for customers. In this way, the industry has met customers' requirements for choice on price point and service offering.

InvoCare believes that the range of providers and choice of services emerging in the funeral industry is likely to increase going forward.

Range of services offered by InvoCare's brands

At InvoCare, we seek to cater to the differing needs and circumstances of customers by offering a variety of brands, which reflect not only different price points but also different areas of focus. InvoCare recognises that it needs to adapt to changing drivers of demand for funeral services and be able to offer consumers contemporary, client-customised experiences and services. Across all its brands, InvoCare strives to exceed customer expectations and is proud of having a strong Net Promoter Score (NPS) of [+78] in NSW and positive customer feedback.

Over the decades, InvoCare has invested heavily in research to better understand changing customer needs and to align and enhance its services to better meet these needs. InvoCare has aligned its brands and customer service to meet the following customer behaviours/segments:

- (a) Those who want more information, a better-quality eulogy and costs provided on the internet so they can plan. They want more control, more personalisation and an even greater sense of respect and honouring.

¹ IBISWorld, January 2020, *Funeral Directors Crematoria and Cemeteries in Australia*, AU Industry (ANZSIC) Report S9520, p 12.

- (b) Those who want much more choice and information but only about the things they need to know about. They want to feel unhurried and comfortable in planning but want the service to be short and to the point.
- (c) Those interested in many of the current brand offers and want elements from all of them. They want more positive energy at the funeral service and think this can be achieved by the funeral director telling them everything they need to know and more. They must leave feeling better than when they came. They want it personal, bespoke and unhurried.
- (d) Those whose ideal funeral experience involves more choice with prices available on the internet and a ceremony that produces laughter and tears. They want to feel more in control.

In NSW, InvoCare operates several brands, including its three national brands (White Lady Funerals, Simplicity Funerals and Value Cremations), a NSW-based traditional brand (Guardian Funerals) and several other traditional and heritage brands. As set out below, these brands have different and distinct customer service standards, which is reflected in their service offerings and prices:

- (a) **White Lady Funerals** - InvoCare's bespoke national brand offering customers the highest level of customer service. The first White Lady funeral home opened in 1987 and since then the brand has offered a unique and distinctive quality of funeral service, provided by a committed and professional team with white uniforms and a distinctive fleet of white cars. White Lady Funerals brings a refreshing, modern touch to the funeral industry. White Lady Funerals offers bespoke and personalised services and markets itself as offering "*a woman's touch, care and compassion to a funeral services*". The White Lady funeral director is considered "The Family Ambassador" and works closely with a consumer for the period of time they are together. The number of touchpoints between a White Lady customer and a White Lady funeral director during the customer journey is a key point of differentiation for White Lady Funerals. A White Lady Funeral provides access to a bespoke range of products (e.g. coffins, merchandise, and florals exclusive to White Lady customers). White Lady funeral directors are dedicated to setting the highest standard in funeral professionalism and supporting families through what may be the single most difficult time in their life.

The team provides customers and their family with guidance and support to ensure the funeral arrangements are carried out as smoothly and easily as possible, with care, respect and dignity.

Every staff member is handpicked for their qualities of commitment, compassion, and professionalism. They are extensively trained and have broad industry knowledge which they share by being active in the community. White Lady Funerals care begins with the customer's first phone call and doesn't just end when staff are satisfied the ceremony is as perfect and complete as can be and the wishes of the family are fully met. Care extends to families after the funeral is over via moving memorial services and grief support offered throughout the year.

- (b) **Simplicity Funerals** - InvoCare's simple, functional and less-fuss national brand. Simplicity Funerals offers simple and affordable funerals, and markets itself as being an easy-to-deal-with brand that gives consumers a sense of control over the funeral organisation process. The Simplicity funeral director is "The Informer" and educates consumers with the relevant information to allow them to carry out their wishes as simply and easily as possible. A Simplicity Funeral provides customers with a choice of value based funeral packages ranging from the Simply Basic package (cremation only) to the Simply Affordable

and Simply Respectful (single service) packages. The inclusions of these packages can be viewed at <https://www.simplicityfunerals.com.au/price-packages/sydney-nsw-packages>.

Traditional and Heritage brands (including Guardian Funerals) - InvoCare's traditional brands are well respected and well established in the local community. The Traditional customer is looking for a partnership with the funeral director (not necessarily a traditional funeral) whereby they are helped, supported and valued. The Traditional funeral director is "The Connector" and guides and assists consumers to understand their needs. A Traditional funeral provided by Guardian or one of the Heritage brands can range from a small intimate family service to a large-scale State funeral. The team can tailor the service, creating a customised funeral that respects, honours and reflects the life that was lived, so that mourners go away feeling comforted that the service was reflective of the deceased. A highly skilled team bring everything together for a funeral service in a very short timeframe, while giving customers the time to plan exactly the funeral they want.

These brands can offer innovative solutions and deliver a contemporary funeral, allowing customers to celebrate the life lived rather than mourn the death, if this is what they want to do. Funeral directors work with customers to ensure they get exactly the funeral service they want. There is no one size fits all when it comes to funerals, and there are many ways to create an authentic, meaningful service that is relevant and true to the life that was lived. Guardian funerals also provide customers with funeral package options to assist them should they choose not to have a bespoke service. These package options can be viewed at www.guardianfunerals.com.au.

- (c) **Value Cremations** - InvoCare's online-only direct cremation provider offering affordable cremation services. Value Cremations include the following services:
- (i) single choice of coffin;
 - (ii) telephone arrangement discussions during business hours;
 - (iii) standard mortuary care; and
 - (iv) transfer of the deceased from a place of business within a 50km (70km regional) radius 24 hours a day.

Strong competitive dynamics

Entry of a significant number of new entrants into the funeral industry is a good indicator of the strength of competition in the industry. In 2011, the Australian Competition and Consumer Commission estimated that there were at least 900 funeral directing businesses operating in Australia². In January 2020, IBISWorld estimated that there were 1,233 funeral directing businesses operating in Australia.³

² ACCC Public Competition Assessment, 14 July 2011, *InvoCare Limited - Proposed Acquisition of Bledisloe Groupe Holdings Pty Ltd*, p 4.

³ IBISWorld, January 2020, *Funeral Directors Crematoria and Cemeteries in Australia*, AU Industry (ANZSIC) Report S9520, p 7.

In January 2020, IBIS World found that competition in the funeral industry has been high over the previous five years and that this trend was expected to increase.⁴ Funeral providers compete on price as well as reputation and service.

This high level of competition is consistent with InvoCare's experience.

New digital entrants are also changing the way funerals are carried out by offering low-priced digital services and 'no attendance, no service' funeral and cremation services. This is, in turn, increasing the choice of services available to consumers. Limited industry regulations allow digital entrants to easily enter the market. InvoCare expects the number of these operators to increase, particularly due to consumers lowering their price expectations during the COVID-19 pandemic. This change in expectations is largely driven by restrictions on the number of funeral attendees and is likely to continue coming out of the pandemic. While consumers may expect prices to go down, InvoCare notes that its professional services fees are not per-head charges and are not based on the number of funeral attendees. This is because the number of attendees does not affect the majority of the costs of providing a funeral.

Historically, funeral directors incurred high capital costs when commencing funeral and cremation operations due to the nature of the services offered. The funeral and cremation process may involve the following services:

- (a) transportation of the body;
- (b) preparing or embalming the body;
- (c) storing the body in a refrigerated body storage facility, a mortuary or holding room;
- (d) body dressing and viewing;
- (e) preparing the body to be placed in a coffin or casket;
- (f) transporting the coffin or casket;
- (g) coordination of all legal and statutory administration; and
- (h) facilitation and hosting of the funeral service.

Transporting the body, embalming and body viewing can be done at relatively low cost. In contrast, operating a refrigerated body storage facility, mortuary or holding room, and a crematorium is more capital intensive.

Funeral directors no longer need to be vertically integrated to operate and high capital costs no longer pose a significant barrier to entry. Rather, providers can outsource all, or the majority, of their services and run their operations through a website alone. Attachment 1 sets out a list of digital providers and capital-lite operators who provide strong competition in the funeral industry. The majority of these operators provide standalone direct cremation services. For example, Academy Funerals, Funerals By Matthew Charles, Funerals of Compassion, Lance and Alice King Funeral Services, Mingyan Funerals, Family Funeral Services, Toomata Funeral Services and Valletta Funeral Services all share and use facilities located at 10 Jane Street in Blacktown.

Consumers are increasingly demanding more personalised funerals and IBISWorld anticipates funeral directors innovating and offering more value-added services

⁴ IBISWorld, January 2020, *Funeral Directors Crematoria and Cemeteries in Australia*, AU Industry (ANZSIC) Report S9520, p 30.

(e.g. environmental and digital services) to customers over the next five years. Technology allows funeral directors to change the way funerals are conducted. There is already increased support for web-streaming services and digital service funeral solutions. InvoCare expects this to continue, further driving price competition and product differentiation in the funeral industry.

Technology has also significantly changed the ease with which consumers are able to access information on the range of services available to them, leading to a more competitive market. The NSW Information Standard for Funeral Goods and Services⁵ requires funeral directors to prominently display information for certain goods and services on their website. In InvoCare's experience, more consumers are researching funeral directors and the choices of services available to them online when planning a funeral.

Funeral advertising

Traditionally, advertising of funeral services has not been widely accepted by consumers but InvoCare has seen a notable change during the COVID-19 pandemic. There is now increased support for advertising of cheap/low-cost funerals, consistent with the opportunities for new/digital entrants described above.

The mediums where consumers would prefer and expect to see funeral services advertised have also shifted, with more consumers preferring online channels. This shift towards online channels is likely to provide further opportunities for digital entrants to enter the market.

2.2 Question 1(b) - What are your views on the need for regulation and what regulation might look like?

Funerals occur at a time of great sadness and uncertainty for consumers. There are few services that consumers will need that are as sensitive or as personal as those provided by a funeral director. Funeral directors aim to serve consumers by offering them the assurance and support they need and ensuring that the funeral services and arrangements they want are provided.

Maintaining minimum standards in the funeral industry is incredibly important to ensure that consumers are protected during this difficult time. InvoCare supports having appropriate mechanisms in place to protect consumers and support minimum standards if these are considered necessary.

InvoCare already has processes in place to protect consumers and ensure services are carried out to a high standard and provides training and support to its employees. InvoCare's staff are motivated to do what is best for customers and have a strong sense of calling.

InvoCare's customers have an additional level of confidence in the standards that InvoCare provides arising from InvoCare's membership of the Australian Funeral Directors Association (**AFDA**), a national organisation promoting professional funeral standards across the funeral industry. AFDA has a Code of Professional Conduct and a Code of Ethics to which members must adhere. Those codes are supported by a formal complaints policy and system administered by AFDA.

AFDA's Code of Professional Conduct requires funeral directors, among other things, to:

- (a) comply with all applicable Federal or State Laws or regulations relating to the prearrangement and prepayment of funeral services or merchandise;

⁵ Fair Trading Regulation 2019 (NSW), Division 2.

- (b) not engage in any unprofessional conduct of a character likely to deceive, defraud or harm the families they serve in the course of providing professional services;
- (c) treat all deceased persons with proper care and dignity during transfer from the place of death, while in the care of the funeral director and during subsequent transportation of the remains; and
- (d) not engage in false or misleading advertising.

AFDA's Code of Ethics also requires funeral directors, among other things, to:

- (a) provide information concerning the range of services available, the prices of these services, and the functions and responsibility accepted on behalf of consumers; and
- (b) ensure that all advertising is in good taste and directed to informing the public.

AFDA plays an important role in allowing funeral directors to distinguish themselves on the basis of the professional standards they uphold, which at the same time gives consumers confidence in the products they are acquiring. When a funeral director promotes itself as being an AFDA member (e.g. by displaying the AFDA logo on its websites and promotional materials) the funeral director is sending a signal to consumers that it offers a certain level of quality and service. This gives consumers confidence that the funeral director is bound by a code of ethics and code of professional standards, and that they will have access to a formal complaints system. It also gives consumers additional information on which to base their choice of provider.

It is relatively easy for operators to enter the market and provide services. In this environment there is a risk of varying standards. Where providers outsource many of the inputs for funeral services consumers will not necessarily know who is providing the various components of the service and will not be able to verify or assess quality.

There is already significant amount of regulation that applies to the industry as detailed below.

The NSW Information Standard for Funeral Goods and Services⁶ (**NSW Standard**), which commenced on 1 February 2020, regulates pricing transparency in NSW. The NSW Standard requires funeral directors to prominently display itemised pricing information for certain goods and services at their place of business and on their website and to provide customers with an itemised quote before entering into a contract. These requirements ensure greater price transparency for consumers and create a more competitive market.

The Australian Consumer Law (**ACL**) also protects consumers by imposing statutory obligations upon suppliers of goods and services in terms of marketing and advertising, product safety, quality guarantees and product liability. The ACL gives regulators, competitors and consumers various statutory causes of action that can be used when a supplier's conduct contravenes the legislation.

Given the above, InvoCare believes that current minimum standards should be maintained in the funeral industry and applicable to all operators of funerals services, not just those who are members of industry associations. InvoCare believes this should be done by establishing compulsory codes of conduct, consistent with those already used by AFDA. Any code of conduct must not undermine competition and product differentiation as this may adversely affect price competition.

⁶ Fair Trading Regulation 2019 (NSW), Division 2.

2.3 **Question 1(c) - Can people complete some or all of the funeral arrangements easily without using a funeral director?**

A CHOICE report on DIY funerals published in June 2019 found that while there are a number of arrangements that consumers can organise themselves (e.g. having the ceremony at home, arranging a celebrant and buying a coffin), other services are much more difficult for consumers to arrange due to government regulations and industry policies. In NSW, the *Public Health Act 2010* and *Public Health Regulation 2012 (NSW)* regulate the facilities and procedures for the handling of bodies of deceased persons, exhumations, cremations and other matters relating to the disposal of bodies and imposes limitations on who can perform services. For example, if a consumer wants to prepare and place the body of a deceased person in a coffin anywhere other than a licensed mortuary in NSW, they will need approval from the Secretary of NSW Health. In the interest of public health and the community, it makes sense for there to be these stringent regulations and for consumers to be prevented from performing these services themselves, except in approved circumstances.

InvoCare is currently reviewing how it can modify its services and approach to services (e.g. developing a self-serve digital capability) to allow consumers to complete some funeral arrangements without needing a funeral director. While some consumers want the support of a funeral director, others value having increased control over funeral arrangement and some have a preference for arranging particular services themselves. InvoCare supports increasing consumers' power to make arrangements themselves but believes it is important to also offer a full-service option for those who need or wish to use the services of a funeral director.

In InvoCare's experience, consumers value being able to learn from a funeral director who has knowledge of the industry, who can paint a picture of the products and services the consumer might want and what is available, and who can help ensure that all steps in the process are thought through. Consistent with this, the CHOICE report on DIY funerals and cremations also found that most consumers choose to hire a funeral director to help navigate what services they can arrange and perform themselves, and the logistics involved.

Pre-planning a funeral is one way consumers can have more power over making funeral arrangements. It enables people to make choices when they are less vulnerable and have more time to reflect on those choices. It also means that when the funeral arises there are fewer decisions that need to be made by their family and loved ones. However, the majority of consumers do not recognise the advantages of pre-planning a funeral. This is something InvoCare is trying to educate consumers about, particularly in terms of the lack of flexibility of other options. InvoCare's brands have information on their websites encouraging consumers to pre-plan funerals as well as practical tips on how to personalise a funeral. Having the option to pre-plan a funeral without having to pre-pay for a funeral is important. Further information can be found at www.guardianplan.com.au.

2.4 **Question 1(d) - What are your views on the impact of COVID restrictions on choice of services in the funeral industry?**

The COVID-19 pandemic has been very challenging for the industry and has resulted in significant uncertainty for both operators and their client families.

The Federal and NSW Governments' restrictions on funerals in response to COVID-19 have caused a degree of anxiety and distress in the community, particularly regarding the different rules that apply in different circumstances. Uncertainty as to when social distancing and attendance restrictions will be eased or completely removed has also created difficulties for people pre-planning funerals. Many people did not expect funeral attendance limits to remain so small and in place for so long, especially when other COVID-19 restrictions had already been eased.

In addition, the very strict rules and restricted attendance limits at funerals have made the grieving process more difficult for many, with people experiencing great sadness at not being able to attend their loved one's funeral in person. It has been InvoCare's experience, that funeral directors are an outlet for that frustration and cultural distress.

Digital streaming of funerals has been dramatically expanded during the COVID-19 pandemic to try to ameliorate this issue, however, it is a very different experience. Digital streaming is likely to continue following COVID-19 but on a more limited scale. It can provide a useful mechanism for those who are distant or unable to attend a funeral to be present in some sense.

2.5 Question 2 - Is Funeral price information easily available on providers' websites and does the information meet consumers' needs?

Pricing information is available on all InvoCare's NSW brands' websites. Prices may be displayed on the website itself and/or in an information brochure that may be downloaded from the website.

As discussed above, the NSW Information Standard for Funeral Goods and Services, which commenced on 1 February 2020, already seeks to ensure that funeral directors display pricing information on their websites and place of business, and that consumers are provided with an itemised quote before entering into a contract. InvoCare's brands comply with the Standard, which is the only formal pricing information requirement in place in NSW.

Given the Standard has been in operation for less than a year, InvoCare believes it is too soon to consider whether the Standard does, or does not, do enough to ensure that funeral price information is easily available and meets consumer needs.

There is increasing transparency and use of comparator platforms. Examples of these include Gathered Here and eziFunerals. Comparator platforms make pricing information easily available for consumers, however, they do not always compare 'like-for-like' services, which has the potential to mislead consumers.

People are increasingly using digital channels to identify funeral services and arrangements that meet their individual requirements and preferences. In InvoCare's experience, people select an InvoCare brand as their preferred funeral director after considering other funeral services, and therefore the services they receive and prices they pay are in line with their expectations. Further, InvoCare estimates that approximately one fifth of the funerals its brands conduct is pre-planned and pre-paid, so consumers have proactively elected to purchase services at a particular price point from InvoCare's brands. As noted in the Issues Paper, customers pay today's prices and if, when the funeral is conducted, prices have increased, InvoCare bears the cost.

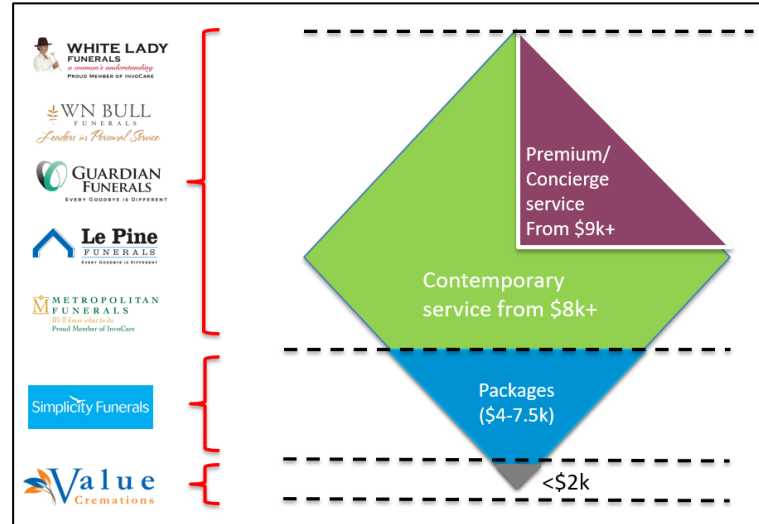
2.6 Question 3 - Tell us what you think about funeral pricing and affordability.

When considering funeral pricing and affordability it is important to keep in mind that competition occurs at a brand level, not an aggregate entity level. There is no single set of prices for funeral services offered by InvoCare. Rather, InvoCare's four brand groupings provide different offerings at different price points and customers can select what is most appropriate for them. Any averaged price across all InvoCare brands is not meaningful as it does not, in any way, reflect the options that are available to customers.

The brands offered by InvoCare enable a customer to choose from simple funerals to large scale, opulent funerals and everything in between.

Diagram 1 below provides a high-level overview of the range of services offered by InvoCare's brands and their approximate price points (noting that Le Pine Funerals and Metropolitan Funerals are not offered in NSW).

Diagram 1



When considering a funeral director, the primary drivers of choice for consumers vary significantly. As discussed in response to question 1(a), a consumer's funeral preferences and requirements may be influenced by their culture, values and financial position. For many customers, the primary drivers of choice are not price-related but concern the extent to which services put the customer in charge, the range of choices available to customers and the unique benefits available in the service offering for organisers and attendees. Where price-related factors are a driver of choice, the factors usually relate to a particular service (e.g. price of a coffin) rather than the price of an entire funeral.

InvoCare's experience is that its customers understand the pricing of the products and its inclusions. Apart from information provided on InvoCare brands' websites, trained staff can provide further explanation about the pricing and service options available to customers planning a funeral.

2.7 Question 4 - Tell us what you think about the different ways of paying for a funeral.

As set out in the Issues Paper, funerals can be arranged at time of need or by using different types of pre-paid financial products. It is important that the options available to consumers to pay for a funeral are clear and transparent so that consumers understand the requirements and risks of each. There are a number of different ways of paying for a funeral, which increases accessibility for consumers and affordability.

Pre-paid funerals

Offering consumers the option to pre-pay for their funeral plays a key role in making funerals more accessible and affordable for consumers. Technology has the potential to make the option to pre-pay for a funeral even more attractive as customers can review and consider services offered by a wide range of providers online, and at their own leisure, prior to making any decisions. Technology also has the potential to make the buying process itself easier.

In InvoCare's experience, most people who pre-plan a funeral also pre-pay for the funeral. Having a pre-paid or pre-planned funeral has a number of advantages, including:

- (a) decreasing the pressure and stress for families to pay for a funeral at an already difficult time;
- (b) giving people comfort and peace of mind that they are not burdening their family with future costs;
- (c) giving people peace of mind knowing that their families can grieve without having to make arrangements for a funeral; and
- (d) giving people the ability to personally make arrangements for their funeral.

InvoCare's brands

All InvoCare's brands offer customers the option to pre-pay for their funeral. Funds given towards a pre-paid funeral are invested in an independent trust and are held safely until funeral arrangements need to be finalised.

InvoCare's brands try to encourage and make pre-planning a funeral attractive for customers by offering flexible payment terms. Customers may pay up-front in full or by regular monthly instalments over a period of up to 36 months. Allowing consumers to make monthly contributions towards the cost of their funeral plays an important role in increasing access to funeral services, catering for individual consumer needs and making funerals more affordable.

InvoCare's brands do not offer funeral insurance. Consumers pay a monthly premium to an insurance provider until they pass away in order to benefit from the insurance payout, which goes towards the cost of their funeral. InvoCare's brands have a comparison tool on their websites that allow consumers to compare the cost of a prepaid funeral to the cost of a funeral insurance policy.

InvoCare believes funeral insurance is not as attractive a method to pay for a funeral compared to pre-payment given there is no guarantee that the insurance payout will cover the full cost of a funeral and the consumer will not be refunded if they cease the policy. InvoCare does not suggest that funeral insurance should be banned but that the limitations and risks involve need to be made clear to consumers.

InvoCare has recently introduced a 'buy now, pay later' option for a number of its brands to help relieve some of the stress of paying for a funeral. The service, provided by Zip Co, allows consumers to arrange a funeral now and pay for it at a later date. (Zip pays the funeral director on a customer's behalf and the customer then pays Zip over time, based on an agreed repayment schedule.) InvoCare covers the payment processing costs charged by Zip and does not pass these costs on to consumers. By providing this service, InvoCare is making paying for a funeral even more accessible for consumers and giving consumers more payment options.

InvoCare does not offer funeral bonds or Funeral Insurance.

Attachment 1 - Funeral Providers who outsource facilities or are capital light operators

Funeral Director	Website
Academy Funerals	https://www.academyfuneralservices.com.au/
Funerals by Matthew Charles	https://www.funeralsbymatthewcharles.com.au/
Funerals of Compassion	https://www.funeralsofcompassion.com.au/
Lance and Alice King Funeral Services	https://www.facebook.com/lancealicekingfunerals/
Mingyan Funerals	https://mingyanfunerals.com.au/
Family Funeral Services	https://www.familyfuneralservices.com.au/contact-us/
Toomata Funeral Services	https://www.facebook.com/ToomataFuneralServices/
Valetta Funeral Services	https://vallettafunerals.com/
Afterlife Funerals	https://www.afterlifefunerals.com.au/
Affinity Funerals	http://www.affinityfunerals.com.au/
Blacktown City Funerals	https://www.blacktownfunerals.com.au/
Chris Timmins Funerals	http://christimmins.com.au/
Christian Funerals of Sydney	https://christianfuneralsofsydney.com.au/
Cosmopolitan Funerals (also run Orthodox Funerals from the same site)	https://www.cosmopolitanfunerals.com.au/
Easy Funerals	https://easyfunerals.net.au/
Hansol Funeral Services	No website.
Lance Boots Funerals	https://lancebootsfunerals.com.au/
The Little Funeral Company	https://www.thelittlefuneralcompany.com.au/about-us/
Megann & Cox Funeral Directors	https://maganncox.wixsite.com/funeraldirectors
Mile Unceovski Family Funerals	https://www.facebook.com/MileUnceovski/
No Funeral No Flowers No Fuss	https://nonono.com.au/
Sam Guarna Funeral Services	https://www.samguarnafunerals.com.au/welcome
Timeless Funerals	https://timelessfunerals.com.au/about-us/
Ian Arthur Funerals	https://ianjarthurfunerals.com.au/
Scott Gleeson Funerals	No website
Timmins Funerals	https://www.timminsfunerals.com.au/
Absolute Care Funerals	https://absolutecarefunerals.com.au/funeral-pricing/
Coast Family Funerals	https://www.coastfamilyfunerals.com.au/