



Funeral Planning - UK - 2022

Report Price: £2195 | \$2995 | €2600

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

This report looks at the following areas:

- Impact of the pandemic on consumer attitudes toward funeral planning and funeral preferences, especially in regards to direct cremation.
- Impact of rising inflation on household budgets and, in turn, on demand for funeral plans.
- The size of the prepaid funeral plan market and the largest providers.
- Funeral planning and preparations made by over-45s.
- Interest in prepaid funeral plans, including some of the more common plan options, by over-45s.
- Motivations to purchase and preferred buying channel.

Currently, only 10% of over-45s have a prepaid funeral plan, yet there is considerable latent demand and, therefore, growth potential. Among over-45s without a plan, 38% would like to prearrange their own funeral in order to ease the burden on loved ones, while 14% are interested in buying a prepaid plan within the next two years.

Converting these sales prospects into actual customers, however, will not be easy in a climate of rising inflation and as the market transitions to a new regulatory regime. The cost-of-living crisis in the UK could limit sales growth in the short term, as appetite for discretionary spending decreases, or alter the product mix, with more customers opting for lower-cost/direct funeral plans. On the other hand, providers should have greater success in spurring on people to take out a plan, in order to protect against future price rises.

Coming under the remit of the Financial Conduct Authority (FCA) in July 2022 will similarly have positive and negative ramifications for the industry. It will mean extra administration and cost for providers. It will also result in the failure or exit of some smaller companies, thereby reducing competition and potentially threatening public confidence, albeit in the short term.



“Mintel’s research shows there is considerable latent demand for funeral planning among over-45s. If providers could effectively tap into this and engender earlier engagement, the market for prepaid funeral plans has the scope to more than double in size.”

- Sarah Hitchcock, Associate Consultant – Financial Services, April 2022

Buy this report now

Visit store.mintel.com

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Over the longer term, FCA regulation can be viewed as an opportunity. Extra protections and improved standards will help underpin consumer trust in funeral plans, putting them on a level regulatory footing with over-50s insurance plans. It will also help to raise awareness of funeral planning in general – something that is urgently required to encourage take-up and earlier engagement.



What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Table of Contents

OVERVIEW

- **Key issues covered in this Report**
- **Market context**
- **Products covered in this Report**

EXECUTIVE SUMMARY

- **The five-year outlook for the prepaid funeral plan market**

Figure 1: Prepaid funeral plan market outlook, 2022-26

- **The market**

- **Market size and forecast**

Figure 2: Forecast of prepaid funeral plan sales, 2016-26

- **22% of funerals in 2021 were prepaid**

Figure 3: Pre-arranged funerals as a share of all funerals in the UK, 2016-21

- **Pandemic leads to a significant rise in direct cremations**

Figure 4: Number of funerals, by type – UK, 2019-20

- **Rising inflation to impact the market in several ways**

- **Competition from over-50s life insurance**

- **FCA regulation sparks market exits**

- **Companies and brands**

- **Rising demand for direct cremation plans heralds the arrival of a new market leader...**

Figure 5: Estimated market shares of the top four funeral plan providers, based on volume sales, 2020-21

- **...and sees Co-op Funeralcare and Dignity lose share**

- **The consumer**

- **Many avoid thinking about their funeral**

Figure 6: Proportion of over-45s who have thought about, discussed or recorded their funeral wishes, by age, 2022

- **Most people prefer cremation over a burial**

- **Opinion divides on whether a funeral service is important**

Figure 7: Importance of having a funeral service, by age, 2022

- **Many intend to use savings/money held in their estate to pay for their funeral**

Figure 8: Financial provision made for own funeral, by age, 2022

- **Over-75s are most likely to have a funeral plan**

- **Motivations vary but a desire to ease the burden on loved ones is shared by most**

Figure 9: Motivation to purchase a funeral plan, 2022

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

- Many people fail to shop around before buying a funeral plan**
- 38% of over-45s would like to prearrange their funeral**
Figure 10: Interest in funeral planning and prepaid funeral plans, 2022
- Significant interest in direct funeral plans**
Figure 11: Interest in direct cremation/burial plan, 2022
- Prospective customers are interested in options to customise their plan and go green**
Figure 12: Interest in funeral plan options, 2022

ISSUES AND INSIGHTS

- Sales of cremation-only plans will continue to drive growth**
- Product ranges need to offer both simple solutions and scope for greater customisation**
- Tackling the taboo surrounding death will help engender earlier engagement**

MARKET SIZE AND PERFORMANCE

- In 2021, sales of prepaid plans grew by more than a third...
...with demand for direct cremation plans driving much of this growth**

Figure 13: Volume of new sales of prepaid funeral plans, 2012-21

- Plans in-force reach over 1.6 million**

Figure 14: Five-year summary of new sales, plans drawn down and plans outstanding at year-end, 2017-21

- Pre-arranged funerals account for a small but growing share of the overall funeral market**

Figure 15: Pre-arranged funerals as a share of total deaths in the UK, 2016-21

MARKET FORECAST

- Good prospects for market expansion...
...with direct cremation plans remaining a key growth driver**
- Sales are forecast to reach 257,000 by 2026**

Figure 16: Prepaid funeral plan market outlook, 2022-27

- Market drivers and assumptions**
- Forecast methodology**

MARKET DRIVERS

- Higher mortality rates drive up plan redemptions**

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.



Figure 18: Age specific mortality rate per 1,000 population, by gender – England and Wales, 2019-20

- **Funeral director market faced significant upheaval during the pandemic**
- **Direct cremations become more popular**
Figure 19: Number of deaths and cremations – UK, 2016-20
- **The cost of a funeral continues to rise**
- **Rising costs will feed through to higher funeral plan prices**
- **Economy to slow as consumers reign in spending...**

Figure 20: Key economic data, 2020-26

- **...in response to higher food and fuel prices**

Figure 21: Concerns about impact of rising costs on household financial situation, by age, 2022

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

COMPETITION FROM OVER-50S GUARANTEED ACCEPTANCE PLANS AND REGULATORY CONTEXT

- **Over-50s life insurance is the main competitor...**
- **...annual sales of which surpass those of funeral plans**
Figure 22: Volume sales of new guaranteed acceptance whole-of-life insurance vs funeral plans, 2016-21
- **Many consumers are unsure about the differences between the two**
- **Hybrid propositions blur the boundaries even further**
- **FCA regulation will put funeral plans on a level pegging with over-50s insurance plans...**
- **...but market exits are extremely likely**
- **Impact on third-party distribution arrangements**
- **CMA's investigation into the funeral market**

MARKET SHARE

- **Pure Cremation is now the number one prepaid funeral plan provider**
Figure 23: Estimated market shares of the top four funeral plan providers, based on volume sales, 2020-21
- **Co-op and Dignity are the largest funeral directors in the UK**
- **Significant others**
- **Further market consolidation likely**
- **Not so Safe Hands**

KEY PLAYER STRATEGIES AND LAUNCH ACTIVITY

- **Co-op Funeralcare**

Figure 24: Key financial indicators – Co-op Funeralcare, 2019-21

Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

- **Recent activity**

- **Looking ahead**

- **Dignity Group**

Figure 25: Key financial indicators – Dignity, 2019-21

- **Recent activity**

- **Looking ahead**

- **Golden Charter**

Figure 26: Key financial indicators – Golden Charter, 2019-21

- **Recent activity**

- **Looking ahead**

- **Pure Cremations**

Figure 27: Key financial indicators – Pure Cremations, 2019-21

- **Recent activity**

- **Looking ahead**

ADVERTISING AND MARKETING ACTIVITY

- **Adspend on funeral plans more than doubles in 2021...**

Figure 28: Total above-the line, online display and direct mail advertising expenditure on funeral director services, prepaid funeral plans and over-50s life insurance, 2018-21

- **...largely due to a huge investment in advertising by Pure Cremation**

Figure 29: Top 10 above-the line, online display and direct mail advertisers of prepaid funeral plans, 2018-21

- **Digital will become more important in future**

Figure 30: Above-the line, online display and direct mail advertising expenditure on prepaid funeral plans, by media type, 2018-21

- **Facebook is a key platform for providers to focus on**

- **Nielsen Ad Intel coverage**

FUNERAL PLANNING BY OVER-45S

- **Less than a third of over-45s have discussed their funeral with family**

Figure 31: Proportion of over-45s who have thought about, discussed or recorded their funeral wishes, by age, 2022

- **Most prefer a cremation to a burial**

Figure 32: Type of funeral preferred, by age, 2022

- **Direct cremations will continue to grow in popularity**

Figure 33: Importance of having a funeral service, by age, 2022

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

FINANCIAL PROVISION AND TAKE-UP OF FUNERAL PLANS

- Many are relying on savings or their estate to pick up the funeral bill**

Figure 34: Financial provision made for own funeral, by age, 2022

- Funeral plans are most likely to be held by pensioners**

Figure 35: Penetration of prepaid funeral plans and over-50s guaranteed acceptance/funeral expenses insurance, by age, (rebased on total sample), 2022

- 62% arranged their plan within the past five years**

Figure 36: How long ago arranged funeral plan, 2022

MOTIVATION TO PURCHASE AND PRE-PURCHASE BEHAVIOUR

- People want to ease the burden of planning a funeral**
- Age/lifestage motivates a desire to make arrangements**

Figure 37: Motivation to purchase a funeral plan, 2022

- Bereavement is a key prompt for funeral plans**

- More transparency over T&Cs is needed**

- IFAs have opportunities as part of later-life planning**

Figure 38: Pre-purchase behaviours, 2022

INTEREST IN FUNERAL PLANS

- Funeral plan market has the potential to more than double in size**

Figure 39: Interest in funeral planning and prepaid funeral plans, 2022

- Prospective buyers would prefer monthly instalment plans**

Figure 40: Interest in paying for a funeral plan by instalment, 2022

- Cost factors favour direct cremation or burial**

Figure 41: Interest in direct cremation/burial plan, 2022

- Investment in digital channels is crucial**

Figure 42: Preferred channel to arrange a funeral plan, 2022

POPULARITY OF FUNERAL PLAN OPTIONS

- Green options are popular among those keen on prearranging their funeral**

Figure 43: Interest in funeral plan options, 2022

- Many prospective customers want personalised plans...**

- ...and to livestream or video record the service**

APPENDIX – DATA SOURCES AND ABBREVIATIONS

- Abbreviations**
- Sources**

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

- **Consumer research methodology**

APPENDIX: FORECAST METHODOLOGY

- **Market forecast**

Figure 44: Volume of new sales of prepaid funeral plans, 2016-26

- **Prediction intervals**

Figure 45: Volume of new sales of prepaid funeral plans – best and worst case, 2016-26

- **Market drivers and assumptions**

- **Forecast methodology**

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100



About Mintel

Mintel is the **expert in what consumers want and why**. As the world's leading market intelligence agency, our analysis of consumers, markets, product innovation and competitive landscapes provides a unique perspective on global and local economies. Since 1972, our predictive analytics and expert recommendations have enabled our clients to make better business decisions faster.

Our purpose is to help businesses and people grow. To find out how we do that, visit mintel.com.