RAIS Journal for Social Sciences | VOL. 3, No. 2, 2019
ISSN 2574-0245 (Print) | ISSN 2574-1179 (Online) | DOI:

Funeral Services: The Silent Oligopoly
An Exploration of the Funeral Industry in the United States

Jennifer DiCamillo LARES

DBA, Graduate - Doctor of Business Administration,University of the Incarnate Word, TX, USA
jdlares4382@gmail.com

ABSTRACT: A large number of industries fall under the Oligopolistic Model, and extensive literature exists on their key elements such as marketing, price competition, product differentiation, and regulatory influence. An often-overlooked industry in the literature is the Funeral Services Industry. This paper delves into a brief history of the funeral service business and demonstrates how this peculiar industry in the United States functions within the economic elements of a traditional oligopoly. The unique challenges faced by the funeral industry are explored as are the service and product aspects that have few comparisons among other industries. The funeral industry is placed within the context of a detailed literature review and analysis of oligopolies and their features, with specific focus on how firms in this industry that provide inelastic "death services" thrive despite the limitations on what and how to advertise in the market. The existing void surrounding this fascinating business will be filled as we investigate death care in the United States – the silent oligopoly.

KEYWORDS: Funeral, oligopoly, mortuary, competition, unsought, pricing

Introduction

In economic terms, an oligopoly is an industry that consists of eight to ten key firms that compete for the market share by having significant control over pricing their products because the costs of entry and exit into the market are prohibitive to more competitors entering the market. As a result of this, the economic profit margins are expected to remain high for the firms and innovations in the market occur with a view to attracting the customers with the "biggest bang for their buck" by each competing firm. Thus, the oligopoly industry can also be referred to as a "price maker" industry since all the firms within it have tremendous amounts of price control over their own products. If an oligopoly industry remains free of significant government interventions, in the long run, it will turn towards a monopolistic competition model in which there is a large number of firms competing for market share with smaller economic profit margins (Case & Fair 2004). Some examples of oligopoly industries that exist in the current market are cell phone service providers, automotive manufacturing and sales, healthcare providers, insurance providers, and many fast food or grocery chains on a local level, to name just a few.

An industry that does not immediately occur to most people but follows the oligopoly model, is the funeral industry. We can all it the "silent oligopoly." The uniqueness and inelasticity of death care creates shared challenges as well as specific trials exclusive to this industry. The power exercised by the 19,177 U.S. funeral homes (14% of which are owned by conglomerates) to determine pricing and supply is held by a limited few among them (National Funeral Directors Association, 2018). At any given local level, there are only a limited number of funeral homes that provide death care services, making it an ideal example of an oligopoly. Moreover, the speed with which death care often needs to be provided typically ensures a lack of sufficient information on the part of the customers and creates a potential for over-pricing and restricted bargaining situations. Unlike traditional oligopolies, a funeral home can hardly offer a "buy one, get one free" deal through advertisements due to the very sober nature of the services they provide. Thus, the question becomes how funeral homes set their pricing in a manner that allows them to sustain in a market that is unlimited in its scope of consumers and yet difficult to target prior to their need of the services.

This paper aims to establish that the specific characteristics of the funeral industry such as marketing strategy, price strategy, product differentiation, and compliance with regulations place it squarely into the oligopoly model of industries. The goal of establishing this is to provide some clarity about how the industry can continue to flourish in the market by following traditional oligopoly models rather than struggling to identify what optimal strategies should be followed to ensure success in the market.

History of the Funeral Industry in the United States

The care of the dead was originally the responsibility of the deceased's family, who would bathe and shroud their loved one, keeping vigil in the home prior to a church service and earth burial. The wooden casket was often made by the family or purchased locally from a general store or furniture craftsman (Watson 2016). Though the Egyptians were the first to perform their version of the embalming process, it would not be embraced within the U.S. until the nation was rocked by the Civil War and the need to expeditiously return casualties home for interment. Beard & Burger (2017) credit scientific advances brought about by the Industrial Revolution, which contributed to the development of chemicals used for preservation and restoration as well as the first metal caskets. Embalming was the catalyst that resulted in the profession(s) of funeral directing and embalming emerging, and the creation of funeral homes. In 1882 the National Funeral Directors Association was formed, and the first mortuary school opened its doors in Cincinnati, Ohio. Six years earlier the first crematory was built in Washington, Pennsylvania. Though cremation was introduced in the late 1800s, it would not truly gain momentum until the late 1900s, when it would be the preferred method of disposition among 25% of client families (Cremation Association of North America 2019). Coincidentally, the Catholic Church reversed its previously rigid position in forbidding cremation in 1983, and in 1997 allowed for cremated remains to be present in the church for a traditional funeral mass (Catholic Education Resource Center 2018). Licensing requirements and standards of care would later develop, in addition to regulatory agency oversight. Advances in restorative art, technology, environmental awareness, and innovative disposition alternatives continue to shape an industry entrenched in tradition (Beard & Burger 2017).

Table 1. U.S. Funeral Industry History

Years	Changes in Funeral Industry
Prior – Mid 1800s	Family cares for the dead in their homes
Mid 1800s	Embalming introduced (Civil War Era); Profession and Funeral Homes are developed
1876	First crematory built in the U.S. – Washington, PA
1882	First Mortuary College opens in Cincinnati, OH Nat'l. Funeral Directors Association is formed
1913	Cremation Association of North America (CANA) is formed (originally Cremation Assoc. of America)
1962	First funeral home conglomerate (SCI) is established
1990s	Cremation gains momentum; method of final disposition for 25% of U.S. decedents
2016	Cremation surpasses burial as desired method of final disposition (50%>)

Characteristics of Funeral Industry as an Oligopoly

In this section we aim to analyze existing literature that looks at traditional marketing, price setting, product differentiation, and regulatory adherence with special attention to oligopolies and identify how these approaches would apply to the funeral industry in the United States.

Marketing Strategy

The purpose of marketing in any industry is to attempt to increase market share, while positively influencing the demand for the products offered by the industry or individual firms. For smaller firms, lack of resources can limit advertising activities (Dukes, 2004). The idea behind marketing efforts is that if a potential customer has prior exposure to information regarding a product, they are more likely to select that product out of the limited (or unlimited) choices available, when a purchase needs to be made. Thus, advertising and marketing play the role of investment in the market to ensure a higher consumption rate of the product simply based on the notion of familiarity with the product. In an oligopoly industry, the need to be memorable is even higher because the products offered by competing firms have clear and distinct characteristics that need to be highlighted to ensure market share. Traditional marketing incorporates the use of images, advertising jingles, mascots, celebrities or comedy to provide differentiation as well as become ingrained in the mind of the consumer (Beard & Burger 2017). For instance, insurance companies often use celebrities to market their services to become memorable for the consumers, fast food companies often resort to mascots and images, whereas the automotive industry relies heavily on jingles and images to retain the consumer's interest in their products over longer periods of time.

In the Internet and Social Media Age of the present day, marketing to the right consumer can be a challenging task, with browsers displaying search results that may enhance or reduce a firm's visibility based upon how popular the firm is, to begin with. Thus, comparison among firms becomes contingent on their market positioning, adding another layer to the marketing puzzle since if two firms are not positioned next to each other, they are fundamentally not competing against each other (Xu, Chen & Whinston 2011).

One key differentiator of firms, especially in marketing within an oligopoly is branding (Agarwal 2017). If a firm can brand itself with a logo or an image that is easily recognizable, it creates a long-term impact of its marketing in the minds of the customers and reduces future reliance on reminding people about the firm. This type of brand-recognition can often make the difference between successful firms and firms that get lost to anonymity. Brand-recognition also helps the firm if the industry were to start moving towards a monopolistic competition model. For instance, the Coca-Cola and Pepsi logos have sustained in the memory of the consumers even though the soft drink industry has now expanded to a monopolistic competition, ensuring that the largest consumer shares in the soft drink market are still owned by Coca-Cola and Pepsi.

Another form of ensuring customer loyalty also comes from the marketing standpoint, where customer relationships and referrals often give an additional advantage to a firm. The striving of various firms to ensure that their customers are satisfied and are willing to refer them to others, is a testament to how marketing through Word-Of-Mouth (WOM) or Electronic-Word-Of-Mouth (EWOM) remains powerful in ensuring market share (Beard & Burger 2017).

Thus, literature identifies the key aspects of advertising that can help a firm grow its market share as becoming memorable, maintaining market position, branding, and customer relationships. The fragility and undesirable nature of funeral goods and services creates limitations about the nature of advertising and themes that a funeral home can use to improve its positioning in the market. Branding of funeral homes emerged during the creation of Service Corporation International (SCI), the largest funeral home conglomerate in the United States. SCI created seven different brands to differentiate full-service funeral homes, cremation specific firms, and Hispanic-oriented locations (Service Corporation International, 2016). The verbiage and logos are comparable in effectiveness to those that serve to differentiate other unwanted goods and services. "One of the increasingly popular ways funeral providers create choice is through the creation of goods and services that are tied to specific brands" (Sanders 2012, 267). Unlike firms such as hospitals, funeral homes can use branding to their advantage with relative ease.

Prior to the internet boom, funeral homes advertised their name, address, phone number, and age on a variety of media that included ads on radio and television, trinkets (paper fans, calendars, pens), and printed space on publications such as church bulletins or local school yearbooks (Armour & Williams 1981). With the evolution of technology funeral homes now advertise through websites, which may host client obituaries in addition to facility-specific photos, information about services offered, and staff biographical information.

To enhance customer relationships and improve the chances of getting referrals, funeral home owners often participate in community events, civic organizations, and actively manage the firms they founded, but later sold. According to Beard and Burger (2017) the use of "assets for diverse reasons" such as offering facilities for non-funeral use, pet care, and service personalization was a subject of considerable interest among funeral professionals seeking marketing options. Thus, the funeral industry overall, attempts to meet the fundamental marketing aspects within the confines of the market and its sensitivities regarding death care, to continue to improve their share in the market. Funeral homes that fail to meet these criteria often end up leaving the market.

Pricing Decisions

Oligopoly firms are reactive in nature. Actions are based upon those taken by a competitor, creating a ripple effect in the market. The Collusion Model for oligopoly industries suggests that when firms agree to abstain from price-based competition, their profit generation will increase. (Case & Fair 2004). This results in the businesses focusing on non-price-based advantages for differentiation and marketing purposes. In some instances, a cartel is created, with firms making pricing and supply decisions collectively, resulting in a monopoly of sorts (Case & Fair 2004). This is inherently illegal but theoretically, it is probable (U.S Department of Justice, 2015). The only issue is that cartels are unsustainable due to the incentives to break rules. For instance, Case & Fair (2004) state in the discussion on cartels that if prices in the market are being controlled by a cartel through the restrictions on how much output a firm can produce, there is substantial initiative among the members to cheat by increasing their own output and thereby getting a larger market share.

Another type of pricing collusion occurs through the Cournot Model when only two firms exist in a local industry, which is true for many funeral homes in smaller cities. Case & Fair (2004) state that the Cournot model is applied when there are two firms in the industry, both of which are positioned between organized competition and a monopoly setting regarding their output, thus maximizing their profits. The two can be harmonious in their coexistence when following the Cournot Model for pricing. Price leadership results when one firm sets the pricing, allowing other firms to follow suit.

The third type of price-setting in oligopolies occurs through the Kinked Demand Curve model which creates price discrimination processes for the consumer for each firm. Moreover, it can be assumed that a decrease in price by one firm would trigger similar actions by the others, in contrast to a price increase by one (Case & Fair 2004). In the event of an increase, the other firms are steadfast in their position, allowing the price leader to act without duplicated efforts by competitors. In either case, the consumers can get the product/service in the market based upon their willingness-to-pay by price searching and weighing the available options. In such an event, it becomes even more imperative for the firms to have established a loyal consumer base via marketing or other means to restrict the desire to search for better prices (Chioveanu 2008).

Cell phone companies and automobile companies are extremely competitive because of the limitations they have in terms of product/service differentiation and engage in price wars routinely. Products and services are aggressively marketed, and consumers can compare amongst them with ease, even though the details of the information might or might not be fully accessible to the consumer without added costs (Herrmann, Xia, Monroe, & Huber 2007). These purchases have the luxury of time associated to them due to the lack of urgency and availability of alternatives that temporarily provide the consumer with a phone or vehicle (such as rental cars and pre-paid cell phones). On the other hand, service providers such as hospitals and funeral homes are at the opposite end of the urgency spectrum. The need for medical care or funeral services is immediate and heavily dependent on geography. Consumers must select quickly and without the familiarity with services that advertising makes apparent (Jaakkola 2007) The need is often unforeseen, so the luxury of comparing between providers is very limited, if possible.

The funeral industry cannot be placed in one specific oligopoly pricing model in its entirety because in different regions it exists in different forms of oligopoly and therefore several types of pricing decisions might apply. There are unique factors that influence the specific model that applies, which includes industry price transparency, regional characteristics, and inelastic demand. Unlike hospitals, which are not required to provide pricing information to clients upon inquiry, funeral industry regulation mandates that complete price lists be given to anyone who poses questions relating to the goods and services offered (Funeral Rule, n.d.). This law allows funeral homes to easily access competitor price lists for comparison and remain competitive. In some cases, funeral homes publicly display their prices on their firm's website. With this advantage, there are no secrets as to what the competitor is charging the client family. There is a bit of mystery surrounding the cost of goods being charged by suppliers, as merchandise manufacturers enter into contracts to provide supplies at a fixed cost that is more appealing for larger firms generating considerable volume. Large conglomerates benefit the most from economies of scale, holding a great deal of power based on the volume of cases handled (Hallowell, 2000). Suppliers prize these clients and tend to offer them the best possible price.

Firms operating with only one other competitor within a geographic area tend to follow the Cournot model. They coexist in such a way as to share the population, with similar pricing and services. One of them may even provide services like cremation for the other, to reduce the costs for both firms collectively. This is most common in areas with a population that can sustain no more than two firms, caring for anywhere from 100-200 families each, per year.

Larger metro areas form multiple oligopolies within the same city, based on what specific area they are in. Pricing may be quite different as firms customize their offerings based on the preferences of local families. Additionally, funeral homes may be divided into full-service establishments and direct disposal facilities. Full-service firms are the traditional establishment, offering both burial and cremation. They typically have a modern fleet of vehicles, areas designated for receptions in addition to the traditional chapel(s) and have large physical stand-alone buildings. A storefront location offers similar services but shares resources (staff, vehicles, etc.) among locations. They are placed within strip malls and usually outsource services like embalming and transportation. They have lower overhead than a traditional funeral home and can charge families less but may have limitations such as less aesthetically pleasing locations, for instance. Direct disposers are cremation-only providers. These firms tend to offer basic cremation specific services, with limitations on staff availability, timeliness of cremation, and space to host a service. In states such as Florida, licensing requirements for each of these business models is distinctly separated, with stipulations as to what types of services are permitted to be offered (Florida Department of Financial Services 2016). These two distinct types of funeral providers price their services in direct correlation with their offerings, with full-service firms charging the highest prices in general (Cremation Institute 2019).

The price-leadership model is prevalent in areas with 8-10 competing firms. It is customary for firms to increase their prices annually, but the price leader sets the ceiling for everyone else (Case & Fair 2004). There are multiple price leaders within large areas where fifty or more firms may be in the same sprawling city. Small clusters of firms follow the price leaders in their vicinity. Thus, even though one can argue that the Funeral industry in large cities should not be considered to be an oligopoly, the geographic constraints combined with an urgency in decision-making on the part of the customer results in an oligopoly structure for the firms that are within geographical clusters even in large cities.

According to Datta and Offenberg (2003), the adoption of price matching policies by any firm in an oligopoly can have the unpleasant effect of suggesting that the firm might not be the lowest priced in the market to begin with, resulting in driving customers who are in urgent need for a service and do not have the ability to search for the lower prices to stay away from such a firm. The funeral industry emphasizes service as a basis of comparison as opposed to price. Additionally, the hassle costs are substantial given the sensitivity of the services being sought. As such, price matching is not advertised, nor are claims of being the "cheapest." Such things would have a negative effect on soliciting clients and according to Liu (2013), "The choice of low-price guarantees is a weakly dominant strategy for firms to adopt to facilitate tacit collusion" (p. 849). Once a funeral home begins to advertise its prices, there is pressure on the nearby competitors who find themselves discounting their own prices to retain the business. In some markets, a version of Game Theory is applied, with firms charging an exceptionally low price for a service that competitors cannot match for long, resulting in a situation which pushes out marginal firms from the market (Etro, 2006). The volume offsets any loss of revenues for the price advertiser, and over time this strategy forces other area firms to struggle to sustain themselves. Eventually, the low-price charging firm ends up holding a large market share causing it to increase prices without fear of competition. This predatory pricing strategy can be seen in certain areas including Austin, Texas and the Rio Grande Valley. There is a significant difference in income for residents of these two cities, so the effect is likely more pronounced for firms in the Rio Grande Valley area.

Regional differences create differing pricing structures. There are firms that cater specifically to the Hispanic clientele in San Antonio, as evidenced by the brand name of "Funeraria del Angel". While these firms are owned by SCI and share resources with Dignity Memorial locations (another, more expensive SCI brand), they charge less for the same goods and services. Recognizing that the clients they are targeting may have lower incomes, they charge accordingly. Other firms targeting the same segment compare prices and stay within proximity of what the Funeraria del Angel locations charge, often making them the price leaders.

Hospitals are affected by many of the same factors as funeral homes, including trends, mobility, technology and the quality of staff. According to Devers, Brewster and Casalino (2003), hospitals in settings that were more competitive demonstrated increased costs per patient and daily than hospitals in less competitive environments. The same could easily be said for funeral homes that dominate a market with no real threats to their business. Certain geographical factors influence the family's choice when selecting a firm including the location's proximity to the place of final disposition as well as its closeness to where the majority of the family resides. Niche services emerged in medical care as a means of drawing smaller, more specific patients with an emphasis on receiving care tailored to the condition being treated (Devers et al. 2003). Cremation specific funeral providers could be viewed synonymously, catering to the needs of the family desiring cremation services. These industries share the challenge of inelasticity. There is no legal and ethical action that a funeral home can take to impact demand. All firms are dependent on the mortality rate, and the trends over which they have no control.

Product Differentiation

The funeral industry offers two distinct products: funeral services (to include cremation) and cemetery property. While cemetery property is not required, it bears examination due to the relationship and dominant use in some markets. Funeral services are closely related to weddings in terms of significance, and Funeral Directors find themselves dealing with micro details in a role like an Event Planner. Comparable to a real estate purchase involving land, cemetery property is shown and offered in both a developed and undeveloped state. Thus, we need to explore both the funeral services and cemetery property as two distinct products that are offered within the funeral industry.

Funeral Services

The creation and coordination of a funeral service can be simple or complex, but regardless relies on the skill and knowledge of Funeral Directors. Services can be traditional, involving the preparation of a more formal or simplified event. A traditional burial/cremation service resembles a wedding in the level of detail, the amount of time the event will take, and the accoutrements. Both a Funeral Director and Event Planner arrange for flowers, venue, music, and more. These professionals share the ability to create various categories, themes, and customized occasions personalized to reflect the wishes of the client they are serving while respecting their budgets.

Like cell service providers, product differentiation is limited. Items such as caskets bear no distinction between funeral homes. Funeral products can also be purchased using the internet. Caskets, urns, and more are available through online retailers like Costco, Amazon, and Walmart. While most consumers are unaware or do not have time to shop for such items online, it is anticipated to become more frequent considering increased societal technology awareness.

Personalization allows for select items to be customized, such as stationery and video tributes, yet many families can create variations of these products independently. Time constraints play a key role in client family selections. Complexities arise from the hasty selection of items intended for someone else, often with multiple parties involved in the decisions. Unlike the leisurely experience of searching for a new piece of furniture for one's home and personal use, selecting a casket is often for someone else and must be done in a very short time frame.

According to the NFDA (2018), the average median cost of a traditional burial in 2017 was \$7,360, while traditional cremation services (including a viewing and ceremony prior to the cremation) cost \$6,260. These figures could be comparable to wedding expenses; however, payment terms are quite different. A wedding can be planned over a period, allowing the Event Planner and client to manage the affair gradually. There is an element of control that is absent for the family tasked with planning a funeral service. The Funeral Director is given a compressed period, typically days, to coordinate the necessary details. Payment for the wedding can be done in foreseeable installments, whereas funeral services must be paid in full when rendered.

Families can fund funeral arrangements at the funeral home of their choosing in advance. This allows for payments to be spread over a period of up to five years (sometimes more) using a specialized type of insurance. Unlike traditional life insurance policies, a funeral policy covers each individual good / service selected, with the funeral home agreeing to provide those items at the cost shown, regardless of inflation. Some options allow for the funeral policy to be considered paid in full should the beneficiary die from accidental causes. Otherwise any balance remaining at time of death is due.

Like traditional life insurance policies, funeral home pre-need agents are licensed to sell funeral and cemetery specific insurance. The policies cannot be transferred to other individuals and are subject to contestability due to suicide clauses / pre-existing medical conditions.

Cremation without traditional formality is a more simplified form of disposition and has surpassed burial in being the preference among consumers. By 2035 it is estimated that 80% of families will choose cremation in lieu of burial (National Funeral Directors Association, 2018). Few facilities boast ownership of their crematory, which is rarely the case for most funeral care providers who offer cremation service. 67% of cremation services are outsourced to third party providers who may be competitors. The Funeral Director still manages significant detail in the preparation of necessary documents, and in most circumstances has more time in which to facilitate care. Consider cremation in relation to the patient in need of specialized medical treatment. The locations that offer it are limited in number, selected based on geography. The information readily available regarding pricing is scarce, and the family is under duress when making their decisions. It is necessary, and selecting a reputable provider is vital. The resources in the form of primary care physicians (PCPs), insurance companies and referrals are not benefits extended to a family seeking cremation services.

Cemetery Property

Cemetery property sales resemble land transactions in real estate. A family can preselect the desired property, which is financed by the cemetery itself, and make installment payments. Location and options contribute to the cost, with options such as attractive landscaping, roadside access, and desired memorialization (headstone type). Just as a home cannot be built on land that is not paid for, a burial cannot occur in a plot that has a balance due. Should a purchaser default on payment they do not retain the right to the property, and it is placed back up for sale, as is the case in a foreclosure scenario.

While both transactions involve a deed, the client never truly “owns” cemetery property but merely the right to its use. Rules are imposed regarding floral placement, types of memorials in each section, and number of persons allowed within the plot(s). A family may have a budget, but unlike postponing a land purchase due to insufficient funds, cemetery property is needed regardless of the financial situation. For followers of religious faiths that prohibit cremation, the stress of limited time and grief in addition to the necessity create vulnerability. It is not uncommon to find many religious organizations that offer their own private cemeteries, which are not required to be regulated in the same manner as cemeteries owned by other entities.

Compliance with Industry Regulations

The funeral industry is regulated by state and federal entities including the Federal Trade Commission, Occupational Safety and Health Association (OSHA), Environmental Protection Agency (EPA), and state-based organizations. Though it was not until 1984 when federal regulation was put in place, the need to protect consumers and complex cost issues have always been present since the industry’s inception (Kopp & Kemp, 2007). Regulation has served the interest of the vulnerable client, allowing for complaints and / or unethical behavior to have consequences. Consumer advocacy groups also emerged, with the purpose of protecting consumers. The Funeral Consumers Alliance, which began in the late 1930s, provides informational publications, monitors the industry and serves as a resource to the public (Funeral Consumers Alliance 2019).

According to Alonso-Nuez, Rosell-Martinez, and Munoz-Porcar (2015), the presence of regulatory agencies does not impact the frequency of complaints. In a sense the funeral industry finds itself monitored two-fold, as both the consumer groups and governmental organizations observe operations. Funeral professionals are overseen in the same way health care providers are, with licensing requirements to include state specific board exams and continuing education requirements, which vary by state. Medical caregivers strive to stay abreast of new techniques and advances in their fields, using their skills as a competitive advantage from a marketing standpoint. Alternatively, funeral professionals are unable to leverage enhanced skills and talent in the same way. An embalmer revered for his/her expertise in restorative art and reconstruction cannot publicly promote this skill, regardless of its value.

Harrington and Krynski (2002) suggested that states requiring funeral professionals be licensed as both Funeral Directors and Embalmers, in facilities with mandatory preparation rooms, are prone to influencing demand towards burial services. Their research suggests that "repealing state regulations that impede competition" would counter instances of demand inducement, which seems like a narrow view of the subject (p.223). Families desiring services besides burial (cremation with a viewing, shipment out of state) would also elect for embalming to be performed, making this assumption questionable. This would imply that a physician with a specialized surgical suite capable of allowing certain procedures would be enticed to encourage specific procedures which would utilize the suite.

Conclusion and Future Scope

Funeral industry is oligopolistic because between two and ten funeral homes determine the prices of the services and products they offer within specific geographic areas. While characteristics of oligopoly apply to this industry in general, it is important to remember that extremely specific characteristics could apply to the firms in distinct locations due to the variation in the number of firms servicing the given areas. Challenged with an inelastic demand in the market and the undesired nature of the products it offers, the firms in this industry face unique limitations when it comes to establishing themselves in any market. There are significant barriers to entry in the form of start-up costs and competitors for any firm that is aiming to enter the industry. There are also significant limitations on the ability to use advertising and marketing tastefully to establish market share for funeral products and services. Moreover, significant challenges have to be overcome even to protect market share and establish their unique brand-name in any given region.

In order to succeed in this type of a peculiar oligopolistic industry, the leadership in any firm offering funeral services and products must strive to stay ahead in the market by being proactive instead of merely reacting to trends and reluctantly altering product and service offerings as a reaction to the loss of market share. As potential consumers use the internet to find immediate solutions to immediate needs, such as death care services, relying solely on products to carry the profit margins is no longer a valid strategy for many of the already established funeral homes. A new entrant in this market that is able to use technology to gain market share is ironically more likely to be successful due to its internet-accessibility! The future Millennial client will continue to demonstrate needs and interests that differ from those of their parents. Enhancing the types of services to cater to these specific needs such as eco-friendly funeral options or more technological options available for funeral services can provide a comparative advantage to a funeral home in an otherwise homogenous array of competitors that currently are price-setters in geographically narrow markets. Seeking out opportunities to streamline processes and increase efficiency within their operations can allow businesses to reap benefits regardless of their size.

It will take a willingness to make changes as to the way business is done by existing firms in this industry to remain profitable, otherwise this industry is overdue for new entrants who can change, challenge, and disrupt it with more efficient and advanced options that current firms are unable or unwilling to consider. All it will take is an "Uber" of Funeral Homes to come in to significantly change this industry, unless existing firms can adapt to the market needs in a timely manner. This internal challenge may be the most difficult to overcome. Since the funeral industry is indeed like an oligopoly as presented in this paper, adhering to fundamental oligopolistic principles and strategies for marketing, pricing, product, and regulatory compliance would ensure sustainability for any firm that intends to succeed in this industry.

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