



# CONSUMERS ASSOCIATION OF SINGAPORE

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## MEDIA RELEASE

### For Immediate Release

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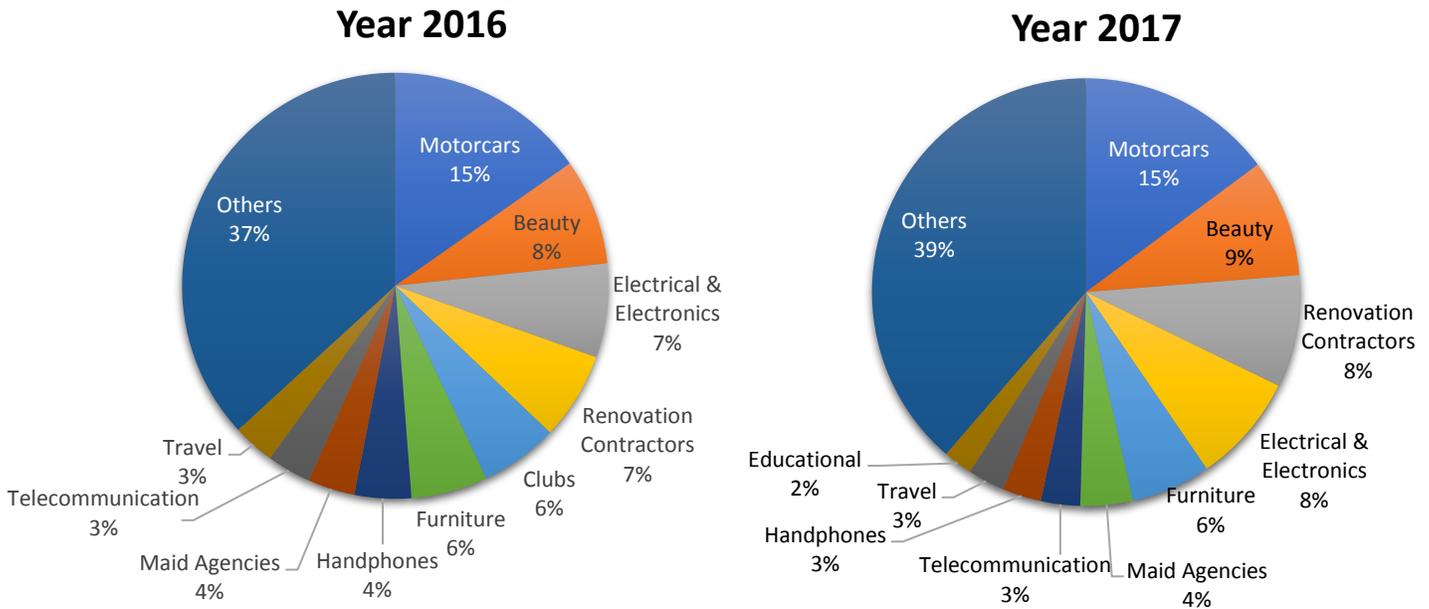
#### **Motorcars, Beauty, Renovation Contractors and Electrical & Electronics industries ranked as top four with most complaints**

Consumer complaints involving motorcars, beauty, home renovation and electrical & electronics goods remained at the top of the Consumers Association of Singapore (CASE)'s industry ranking list from 2016 to 2017. These sectors collectively account for 40% of all the complaints that CASE received in 2017.

In 2017, CASE received a total of 15,744 consumer complaints. We assisted consumers to achieve a 77.2% resolution rate for filed cases<sup>1</sup>, an increase of 0.6% from 2016. We also helped them to recover \$2.13 million (in-cash and in-kind), an increase from the \$1.95 million recovered last year. The resolution rates and amount recovered have remained stable over the years.

The breakdown of the complaints received for the top ten industries in 2016 and 2017 can be viewed in Chart 1. The remaining 37 industries are placed under the 'Others' category.

**Chart 1. Comparison of the percentage of complaints by industry received by CASE in 2016 and 2017.**

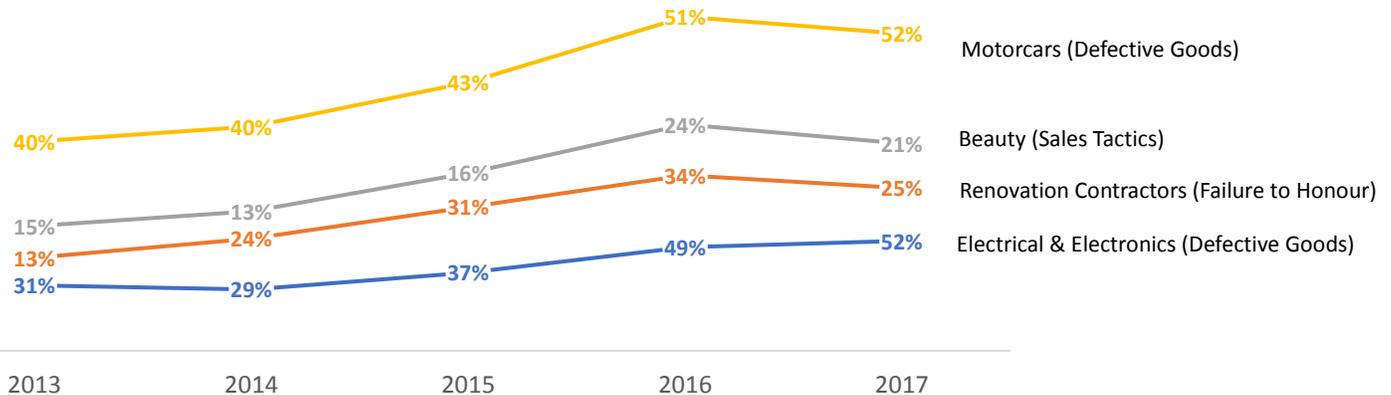


<sup>1</sup> Filed Scheme: Consumers authorise CASE to handle the complaint on their behalf. CASE will negotiate directly with the business for an amicable resolution.

We also observed an increasing trend in the percentage of the top complaint nature for these four industries for the past five years (see Chart 2).

**Chart 2. Comparison of percentage increase in top complaint nature for Motorcars, Beauty, Renovation Contractors and Electrical & Electronics Industry.**

### COMPARISON OF PERCENTAGE INCREASE OF TOP COMPLAINT NATURE ACROSS TOP 4 INDUSTRIES



#### Motorcars Industry

Last year, CASE received a total of 2,335 complaints for the Motorcars Industry. We observed an increasing trend in the percentage of defective car complaints over the years, from 40% in 2013 to 52% in 2017.

For example, a consumer who bought a pre-owned car complained that the car engine stalled several times and emitted smoke a month later. The car was sent to a workshop for repair and the consumer was recommended a replacement engine assembly for \$4,800. Upon CASE’s intervention, the car dealer agreed to replace the engine for free.

We also noted that consumers who lodged a complaint with CASE through our filed or assisted scheme<sup>2</sup> generally complained about the following types of cars:

- 60% involved a complaint about a pre-owned car
- 30% involved a complaint about a new car
- 10% involved a complaint about a rental car

#### Beauty Industry

CASE received 1,401 complaints for the Beauty industry in 2017. This industry includes a wide range of beauty services ranging from brow, facial, makeup, manicure, massage, hair removal and more. The top nature of complaint was on sales tactics.

For example, a consumer was pressured for several hours to sign up for a beauty package at a beauty salon. The salesperson also informed the consumer that she would only need to pay several hundred dollars a month for this package. The consumer subsequently realised that the package cost \$21,000 after the

<sup>2</sup> Assisted Scheme: CASE will help the consumer to draft a letter to the business. The consumer will negotiate directly with the business with the help of the letter for an amicable resolution.

amount was deducted from her bank account. CASE pointed out that it was an unfair practice under the Consumer Protection (Fair Trading) Act to make misleading claims and to exert undue pressure on a consumer to enter into a transaction. The consumer was able to get back a full refund.

When compared across the years, we noted an increasing trend in the percentage of high pressure sales tactics complaints from 15% in 2013 to 21% in 2017.

#### Renovation Contractors Industry

In 2017, CASE received 1,335 complaints for the Renovation Contractors (i.e. home renovation) industry. The top nature of complaint was failure to honour (i.e. renovation contractors that fail to honour their contractual obligations and/or promises), which increased from 13% in 2013 to 25% in 2017. This includes situations where the contractor promised to complete the renovation works by a certain deadline but failed to do so.

For example, a consumer engaged a contractor for some renovation works at \$7,200, inclusive of installation of a ceiling fan, two air-conditioning units and painting. He reported to CASE that the instalment of one air-conditioning unit and lightings for his flat had been delayed for the past three months and the contractor was uncooperative in resolving the matter. CASE contacted the contractor and after a period of negotiation, the contractor agreed to refund \$3,800 (less the cost of the completed renovation works) to the consumer.

#### Electrical & Electronics Industry

CASE received 1,300 complaints for the Electrical & Electronics industry in 2017. The percentage of complaints regarding defective electrical & electronic goods increased from 31% in 2013 to 52% in 2017. Common goods complained about under this category include household items such as television sets, washing machines, vacuum cleaners and more.

For example, a consumer bought a massage chair for \$7,800 that had a defective air compressor, which emitted loud noises when used. The business agreed to exchange the defective massage chair but the replacement chair was faulty as well. CASE was able to assist the consumer to get back a full refund.

#### Plans for the Future

Moving forward, CASE plans to enhance consumer education in the abovementioned industries. This includes promoting adoption of the Standard and Functional Evaluation (SAFE) Checklist<sup>3</sup> for used car buyers in our upcoming Motoring roadshow in March 2018, increasing awareness on prepayment protection and the five-day cooling-off period offered by CaseTrust accredited spa and wellness businesses<sup>4</sup>, organising more educational talks and exhibitions for consumers on engaging a renovation contractor or buying electrical & electronic products.

Lastly, we encourage consumers with unresolved disputes against businesses to approach CASE for assistance through our hotline (6100 0315) or website ([www.case.org.sg](http://www.case.org.sg)).

Lim Biow Chuan  
President  
Consumers Association of Singapore

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3 More information on the SAFE Checklist can be found at: [https://www.case.org.sg/consumer\\_guides.aspx](https://www.case.org.sg/consumer_guides.aspx).

4 information on the CaseTrust accreditation scheme for spa and wellness businesses can be found at: <https://casetrust.org.sg/accreditation-detail.aspx?id=5>.