



CONSUMERS ASSOCIATION OF SINGAPORE

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MEDIA RELEASE

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CASE engages airlines to cease travel insurance pre-selection

The Consumers Association of Singapore (“CASE”) is pleased to note that Jetstar Asia Airways Pte Ltd (“Jetstar”), Scoot Tigerair Pte Ltd (“Scoot”) and Singapore Airlines Ltd (“SIA”) have agreed to cease the practice of pre-selection of travel insurance for consumers. This move comes after CASE engaged all three airlines to be more transparent in their ticket pricing and booking process.

With the growth of e-commerce in the past decade, we have noticed several challenges that consumers encounter when shopping online. For example, encountering pre-ticked boxes that adds options to their purchases without their express consent.

Earlier this year, CASE reached out to SIA after receiving feedback that the airline had implemented a new online booking feature that automatically included travel insurance unless consumers opt-out. Subsequently, we approached Jetstar and Scoot on the same matter.

Scoot and SIA have since removed the pre-selection of travel insurance on their booking websites and offered it as an “opt-in” feature in February and May 2018 respectively. Jetstar will be implementing an “opt-neutral” approach for travel insurance selection from October 2019 onwards. This means that consumers will need to consciously select one of two options – acceptance or rejection of travel insurance during the booking process.

Businesses should clearly present all information relevant to a sales transaction upfront to the consumer. Any additional goods or services, whether paid or free, should only be included if the consumer has given express consent. In CASE’s view, failure to opt-out of travel insurance should not be regarded as express consent as it is possible for some consumers to overlook that this option had been selected.

Under Singapore law, businesses are not prohibited from using pre-ticked boxes to seek express consent for additional payments from consumers. However, there are measures in place to protect consumers from pre-ticked boxes in certain jurisdictions overseas. For example, in the European Union, companies cannot infer consumers’ consent for additional payments by using pre-ticked boxes for online transactions, and must obtain express consent from consumers.

In view of the above, CASE strongly encourages all businesses to engage in ethical marketing by ensuring that their consumers consciously agree to the purchase of goods and services by taking clear affirmative action.

Meanwhile, consumers are advised to look out for pre-selected options when shopping online. They should also remember to thoroughly check through their online bookings or shopping carts for extra charges before making any payment.

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