CONSUMERS ASSOCIATION OF SINGAPORE



170 Ghim Moh Road, #05-01, Ulu Pandan Community Building, Singapore 279621 Hotline: 6100 0315 Fax: 6467 9055 Website: www.case.org.sg

MEDIA RELEASE

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Consumer complaints received by CASE in the first half of 2021 dropped compared to the same period in 2020; the beauty and renovation contractor industries accounted for the highest number of complaints

The Consumers Association of Singapore ("CASE") received 7,260 consumer complaints in the first half of 2021 ("1H2021"), a 19.5% decrease from the 9,013 complaints received in the first half of 2020 ("1H2020"). The beauty and renovation contractors industries accounted for the highest number of complaints received in 1H2021, and saw an increase in the number of complaints compared with the same period last year. There was a decline in the number of complaints against the travel, airlines, and medical and medical consumables industries.

Breakdown of Complaints

January to June 2020 (1H2020)			January to June 2021 (1H2021)		
No.	Industry	Total Complaints	No.	Industry	Total Complaints
1	Travel	1,138	1	Beauty	627
2	Medical and Medical Consumables	1,046	2	Contractors	621
3	Electrical and Electronics	543	3	Motorcars	539
4	Motorcars	536	4	Electrical and Electronics	536
5	Beauty	513	5	Travel	406
6	Airlines	475	6	Furniture	363
7	Furniture	317	7	Telecommunications	264
				Medical and Medical	
8	Contractors	312	8	Consumables	263
9	Food and Beverages	309	9	Food and Beverages	258
10	Telecommunications	263	10	Hair	211

The breakdown of the complaints received for the top 10 industries in 1H2020 and 1H2021 is listed in Table 1.

Table 1: Breakdown of complaints received for the top 10 industries in 1H2020 and 1H2021.

Beauty Industry

CASE received 627 complaints against the beauty industry in 1H2021, a 22% increase from 1H2020 where there was a two-month Circuit Breaker and restriction on non-essential activities. Approximately one-quarter of the complaints relate to consumers being unsatisfied with services

rendered by spas and beauty salons, with another one-quarter of the complaints relating to unfair practices such as aggressive sales tactics.

To avoid falling prey to aggressive sales tactics, consumers are advised to say "no" and walk away if they encounter such tactics during the sales or treatment process. In addition, consumers can consider patronising CaseTrust accredited spas and wellness businesses, as these businesses are committed to fair practices. CaseTrust accredited spas and beauty businesses also offer a five-day cooling off period for consumers if they do not wish to proceed with the spa or beauty packages purchased.

Renovation Contractors Industry

CASE received 621 complaints against the renovation contractors industry in 1H2021. This is almost double the number of complaints received over the same period last year. The increase is likely attributable to a prolonged shortage in manpower and raw materials arising from the COVID-19 border restrictions.

Almost half (48%) of the complaints pertain to consumers being unsatisfied with the quality of the renovation services rendered, and approximately one-third of the complaints pertain to renovation contractors failing to complete the renovation projects on schedule and/or according to agreed project milestones.

To safeguard their interests, consumers are advised to avoid making a large prepayment upfront, and to negotiate for progressive payments to be made as each stage of the renovation work is completed. In addition, consumers can consider patronising CaseTrust accredited renovation contractors, which are required to protect consumers' deposits via the purchase of a deposit performance bond, in the event of sudden business closure. CaseTrust accredited renovation contractors also have in place proper and clearly defined dispute resolution mechanisms, and are committed to resolve disputes with consumers through mediation.

Travel and Airlines Industries

The number of complaints received against the travel and airlines industries dropped significantly in 1H2021 as compared to the same period in 2020. The number of complaints against the travel industry declined by 64% from 1,138 complaints in 1H2020 to 406 complaints in 1H2021, compared to the same period last year. Correspondingly, the number of complaints against the airlines industry fell by 73% from 475 in 1H2020 to 129 in 1H2021. The drop in the number of complaints against the travel and airlines industries is likely attributable to consumers having adjusted to the COVID-19 travel restrictions and are not making travel or vacation plans in advance due to the uncertainty of the situation.

In general, the complaints received against the travel and airlines industries in 1H2021 relate to instances where the consumers and businesses had previously agreed to a refund in-kind (e.g. credits, vouchers) or a rescheduling of travel plans, but the consumers were now requesting for monetary refund due to the global uncertainty in travel.

Medical and Medical Consumables Industry

CASE also saw a sharp decline in the number of complaints against the medical and medical consumables industry from 1,046 complaints in 1H2020 to 263 complaints in 1H2021. The decrease is attributed to fewer complaints against retailers which overcharge for face/surgical masks, hand sanitisers and other related consumables. Such complaints were prevalent in 1H2020. In addition, CASE notes that the supply and prices of surgical masks, hand sanitisers and other related consumables in the past year.

Notwithstanding the decrease in the number of complaints, CASE will continue to monitor and flag out profiteering and unfair practices as these consumables remain critical in the fight against COVID-19.

E-commerce Complaints

CASE received 986 complaints relating to online purchases in 1H2021, compared to 2,369 complaints received in the same period last year. The complaints generally pertain to delivery issues (e.g. delayed deliveries, incomplete deliveries, wrong deliveries) and defective or non-conforming goods. Although there is a decrease in the number of complaints, CASE would like to encourage consumers to remain vigilant when they shop online.

Consumers are advised to check the track record of the retailer by reading customer reviews before making a purchase, and to patronise merchants with clear exchange and refund policies. For non-delivery or defective goods, consumers should first contact the retailer to resolve the issue. If the retailer refuses to resend a missing/non-delivered item or to replace a defective/non-conforming good, consumers are advised to file a chargeback request with their credit card issuing bank within 120 days of purchase.

Conclusion

Mr Melvin Yong, President, CASE, said: "Overall, we are seeing the early signs that the type, nature and volume of consumer complaints for the first half of 2021 are reverting to pre-2020 levels as we adjust to the new normal. Given the uncertain economic outlook, we would like to urge consumers to avoid making large sums of prepayments to businesses, to safeguard their interests in the event of business disruptions or sudden business closures. We encourage consumers to alert us to potential unfair and unethical practices so that we can advocate for greater protection for consumers."

Melvin Yong President Consumers Association of Singapore

About the Consumers Association of Singapore:

The Consumers Association of Singapore (CASE) is an independent, non-profit organisation that is committed towards protecting consumers' interest through information and education, and promoting an environment of fair and ethical trade practices. One of its key achievements is in advocating for the Consumer Protection (Fair Trading) Act (CPFTA) which came into effect on 1 March 2004.

For more information, please visit the CASE website at <u>www.case.org.sg</u> or follow us on: Facebook: <u>www.facebook.com/casesg</u> Twitter: <u>www.twitter.com/casesg</u>