



CONSUMERS ASSOCIATION OF SINGAPORE

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MEDIA RELEASE

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CASE sees prepayment losses more than quadruple in 2024; entertainment-related complaints nearly triple

The Consumers Association of Singapore (“CASE”) saw prepayment losses of about \$1,930,000 in 2024. This is more than four times the amount (\$476,000) reported in 2023.

The losses were largely due to sudden business closures and companies becoming unresponsive after consumers had made payment. About a third of the prepayment losses were attributed to the renovation sector, where renovation contractors suddenly became uncontactable during the renovation process, leaving some consumers with incomplete homes and rushing to find another contractor to complete their renovation works.

CASE received 14,236 complaints in 2024, a 2 per cent increase from the 13,991 complaints received in 2023. The entertainment, telecommunications, and food & beverage sectors saw significant increase in the number of complaints received.

Breakdown of Complaints

The industries that accounted for the top five highest complaints in 2024 were motorcars, electrical & electronics, beauty, renovation contractors and entertainment.

The entertainment sector saw a 281 per cent spike in complaints, from 209 complaints in 2023 to 798 complaints in 2024. This was largely due to the botched Singapore Sky Lantern Festival in February 2024, and complaints pertaining to ticket scalping.

Two other industries that saw a large rise in complaints were food and beverages and telecommunications.

Food & beverages complaints went up 24 per cent from 571 complaints in 2023 to 708 complaints in 2024. This was largely due to the cancellation of licence of Sakura Buffet Pte Ltd over food safety concerns, which resulted in consumers’ orders left unfulfilled.

Telecommunications complaints increased 34 per cent from 529 complaints in 2023 to 710 complaints in 2024. Consumers typically complained of poor connectivity, delayed installation of broadband services and high charges in consumers’ bills.

In 2024, approximately 80 per cent of cases in which CASE was authorised by consumers to negotiate with businesses were resolved. This is a 4 per cent improvement from 2023 and is CASE’s highest resolution rate in the past five years.

The breakdown of the complaints received for the top 10 industries in 2023 and 2024 is listed in Table 1.

2023			2024		
No.	Industry	Total Complaints	No.	Industry	Total Complaints
1	Motorcars	1,306	1	Motorcars	1,306
2	Electrical & Electronics	1,195	2	Electrical & Electronics	1,235
3	Renovation (Contractor)	1,168	3	Beauty	1,199
4	Beauty	1,166	4	Renovation (Contractor)	962
5	Furniture	715	5	Entertainment	798
6	Food & Beverages	571	6	Furniture	720
7	Telecommunications	529	7	Telecommunications	710
8	Travel	471	8	Food and beverages	708
9	Hair	376	9	Travel	420
10	Airlines	375	10	Finance	363

Table 1: Breakdown of complaints received for the top 10 industries in 2023 and 2024.

Prepayment Losses

Consumers saw about \$1,930,000 in prepayment losses in 2024, with the top contributing industries being renovation contractors, bridal, and movers.

The breakdown of prepayment losses seen for the top three industries in 2024 is listed in Table 2.

2024		
No.	Industry	Total Prepayment Losses
1	Contractors	\$728,813.76
2	Bridal	\$284,468.65
3	Movers	\$134,238.53

Table 2: Breakdown of prepayment losses seen for the top three industries in 2024.

The bridal industry saw about \$284,000 in prepayment losses, largely due to the sudden closure of Love Nest and its related entities in April 2024. Movers saw prepayment losses of about \$134,000, due in part to large deliveries being undelivered or loss of goods during moving.

While the number of complaints from the renovation contractor industry decreased, the sector accounted for approximately \$728,000 in prepayment losses and saw the highest amount of prepayment losses in 2024.

Of the 962 complaints received against renovation contractors, approximately 97 per cent of complaints were against non-CaseTrust accredited contractors. All complaints related to accredited contractors were successfully resolved, highlighting the importance of the safeguards brought about by the CaseTrust accreditation¹.

Mr Melvin Yong, President, CASE, said: “CASE is concerned about the sharp rise in prepayment losses, mainly driven by the renovation sector. All the cases where consumers lost their prepayments and deposits were a result of consumers who had patronised from non-CaseTrust accredited renovation contractors. Consumers are advised to engage CaseTrust-accredited companies whenever the purchase involves large prepayments because these companies buy insurance to protect your interest. CASE will soon announce enhancements to CaseTrust to offer consumers more choices and greater assurance.”

Motorcars

Complaints in the motorcar industry held steady at 1,306 complaints but remained as the industry that saw the most complaints in 2024. Of the complaints, about 35 per cent were related to car sharing and car leasing, an increase from the 33 per cent seen in 2023.

In terms of new cars and used car sales, CASE saw about 67 per cent of complaints against new car sales in 2024, and used car sales accounted for about 58 per cent in 2024, a drop from about 60 per cent the previous year.

Mr Yong said: “CASE has formed a working committee to address the issues relating to car-sharing and we are making good progress in our discussions with the relevant stakeholders. In the meantime, consumers are advised to read carefully the terms and conditions when engaging in car-sharing services. Consumers can also check online for reviews by other users.”

E-commerce

In 2024, CASE received 4,641 e-commerce complaints, a 25 per cent increase from 3,711 complaints in 2023. This represents the highest number of e-commerce complaints since CASE first started tracking e-commerce complaints in 2020. Of the e-commerce complaints received in 2024, approximately 13 per cent were from the entertainment industry and 9 per cent from the food & beverage industry.

¹CaseTrust-accredited renovation contractors offer key protection for consumers, including safeguarding deposits in the event of a sudden business closure. Contractors also adhere to the CaseTrust Standard Renovation Contract, which outlines the obligations of both parties, including work and payment schedules. Additionally, these contractors are committed to transparent and well-defined dispute resolution processes. Currently, CASE has more than 140 renovation contractors accredited.

The breakdown of the e-commerce complaints received from 2020 to 2024 is listed in Table 3.

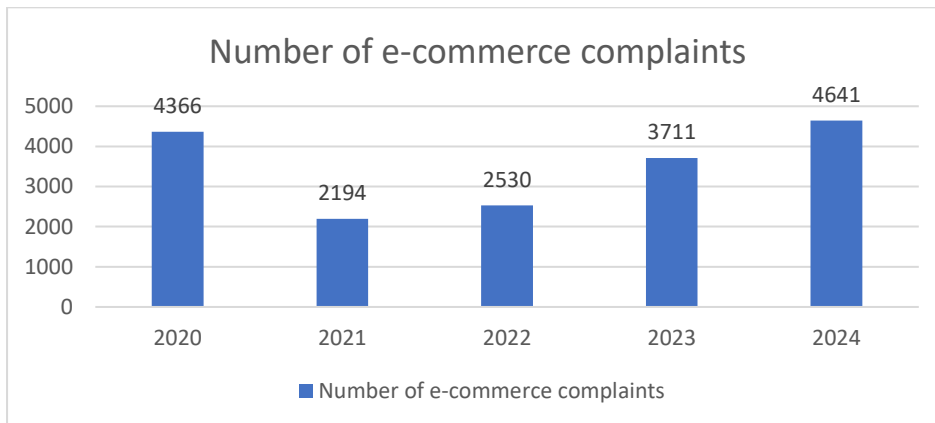


Table 3: Breakdown of e-commerce complaints received from 2020 to 2024.

Mr Yong said: “E-commerce complaints have reached an all-time high, surpassing even the 2020 peak that was caused by the COVID-19 pandemic. This reflects the growing shift towards e-commerce as a preferred mode of shopping. While complaints have increased, CASE has worked with the two biggest e-commerce platforms in Singapore, Shopee and Lazada, to put in place an effective dispute resolution framework. Complaints involving these platforms have a high resolution rate of around 90 per cent. CASE will continue working with other platforms to provide consumers with better protection when shopping online.”

Conclusion

Mr Yong said: “It has been many years since our consumer protection laws were last reviewed. The 2024 statistics show that more needs to be done to better protect consumers shopping online, and also more safeguards are needed for consumers in sectors that collect large prepayments. CASE will engage the Government on the need to update our laws, work with our stakeholders to improve consumer education, and take steps to tackle industry-specific concerns.”

Melvin Yong
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About the Consumers Association of Singapore:

The Consumers Association of Singapore (“CASE”) is an independent, non-profit organisation that is committed to 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.

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