



CONSUMERS ASSOCIATION OF SINGAPORE

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MEDIA RELEASE

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CASE observes a 47 per cent surge in e-commerce complaints in 2023

The Consumers Association of Singapore (“CASE”) received 3,711 consumer complaints against e-businesses and e-marketplaces in 2023, a sharp increase of 47 per cent from the 2,530 complaints received in 2022. Of these complaints, about one in five involved instances where consumers did not receive their orders within agreed delivery timelines. Another 17 per cent of the complaints involved instances where consumers did not receive refunds within the timelines committed by businesses.

CASE received 13,991 complaints in 2023, a 24 per cent decrease from the 15,144 complaints received in 2022. There was a general decrease in complaints across various industries, except for the motorcar industry which saw an increase of eight per cent, primarily due to an increase in complaints involving rental or shared cars. Through CASE’s assistance in negotiating and mediating the complaints, close to \$2.5 million (in-cash and in-kind) were recovered for consumers in 2023, an increase from the \$2.1 million recovered in 2022.

Complaints involving rental or shared cars nearly tripled from 152 complaints in 2022 to 435 complaints in 2023. Common complaints pertained to disputes on pre-existing defects, damages and repair charges imposed by rental or car-sharing businesses on consumers due to alleged damages.

Breakdown of Complaints

Of the 13,991 complaints received in 2023, CASE provided advice to 84 per cent of the consumers on how to resolve their disputes with businesses. CASE assisted 16 per cent of the consumers to negotiate and mediate their disputes with businesses. For complaints where parties were open to negotiation, 76 per cent were resolved.

The industries that accounted for the top five highest complaints in 2023 were motorcars, electrical & electronics, renovation contractors, beauty and furniture.

The travel industry saw a 38 per cent decrease in complaints, dropping from 757 complaints in 2022 to 471 complaints in 2023. The airlines industry saw a 22 per cent decrease in complaint, dropping from 478 complaints in 2022 to 375 complaints in 2023. The complaints for both industries had stabilised to pre-2020 levels, primarily due to the easing of travel restrictions globally which led to fewer complaints on cancellation of trips.

There was a 19 per cent decline in complaints against the beauty industry, from 1,441 complaints in 2022 to 1,166 complaints in 2023. The drop in complaints can be attributed to extensive and concerted efforts by CASE and the Competition and Consumer Commission of Singapore (“CCCS”) to promote fair trading in the industry and to educate consumers. CCCS has also reminded businesses to adopt fair trading practices and steer clear of engaging in unfair practices, such as exerting undue pressure on consumers to push sales or making false or misleading claims.

The breakdown of the complaints received for the top 10 industries in 2022 and 2023 is listed in Table 1.

2022			2023		
No.	Industry	Total Complaints	No.	Industry	Total Complaints
1	Contractors	1,454	1	Motorcars	1,306
2	Beauty	1,441	2	Electrical & Electronics	1,195
3	Electrical & Electronics	1,418	3	Contractors	1,168
4	Motorcars	1,213	4	Beauty	1,166
5	Furniture	810	5	Furniture	715
6	Travel	757	6	Food & Beverages	571
7	Food & Beverages	613	7	Telecommunications	529
8	Telecommunications	514	8	Travel	471
9	Airlines	478	9	Hair	376
10	Hair	381	10	Airlines	375

Table 1: Breakdown of complaints received for the top 10 industries in 2022 and 2023

Motorcars

The motorcar industry accounted for the highest complaints received by CASE in 2023. Of the 1,306 complaints received against the motorcar industry, 60 per cent and 33 per cent were related to pre-owned cars and rental or shared cars respectively.

About 35 per cent of complaints against the motorcar industry were related to defective or non-conforming goods, a common issue involving pre-owned cars. Another 10 per cent of the complaints were related to unsatisfactory services such as delayed processing of refunds.

Mr Melvin Yong, President, CASE, said: “Against a backdrop of increasing car ownership costs, more consumers are turning to rental or shared cars as an alternative. CASE is concerned about the sharp increase in complaints involving rental or shared cars, especially those regarding pre-existing defects or damages. We have called on the Government to consider a mandatory maintenance regime for shared cars to improve safety and reduce disputes. Meanwhile, we strongly encourage consumers to patronise motoring businesses accredited by CaseTrust-Singapore Vehicle Traders Association as they are committed to transparency and consumer-friendly policies.”

E-commerce

About one in five e-commerce complaints in 2023 involved the airlines, travel and hotel industries. The electrical and electronics industry accounted for 10 per cent of the e-commerce complaints.

Complaints against e-businesses accounted for 85 per cent of e-commerce complaints, with the remaining 15 per cent coming from purchases made via e-marketplaces.

Mr Yong said: “CASE is deeply concerned about the 47 per cent surge in complaints from 2022 to 2023. The high percentage of complaints against e-businesses is also a cause for concern. That is why CASE launched the CaseTrust Accreditation Scheme for E-businesses last year to help consumers identify reliable e-businesses that are committed to fair trading and consumer-friendly policies. Currently, 11 e-businesses have applied for accreditation and CaseTrust is assessing their applications. CASE will be stepping up efforts to encourage e-businesses to apply for accreditation, which will foster a trusted e-commerce environment for all.”

Prepayment Losses

Consumers suffered some \$476,000 in prepayment losses, primarily due to sudden business closure, in 2023, a 26 per cent decrease from the \$645,000 in prepayment losses in 2022. The beauty industry accounted for the largest prepayment losses of \$116,000, followed by the gym and fitness club industry which accounted for \$110,000 in prepayment losses.

Mr Yong said: “While reported prepayment losses in 2023 dropped, prepayment losses remain a concern for CASE, especially in light of the challenging economic landscape where consumers are anxious over rising prices. CASE reiterates our call on the government to mandate targeted prepayment protection in industries where prepayment losses are high to better safeguard consumers’ hard-earned monies. We encourage consumers to continue patronising CaseTrust accredited businesses in the beauty, renovation contractor service and motoring industries as they are required to protect consumers’ prepayments and deposits.”

Conclusion

Mr Yong said: “We are happy to see an overall decrease in consumer complaints in 2023. Nevertheless, more needs to be done to strengthen consumer protection and address common consumer pain points. CASE will continue to engage the government and industry stakeholders to strengthen consumer safeguards and put a stop to undesirable business practices.”

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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