



**Asia-Pacific  
Economic Cooperation**

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## **Consumer Protection in e-Commerce in Singapore**

Submitted by: Singapore



**Workshop on Consumer Protection in  
Digital Trade: Towards Building an APEC  
Regional Consumer Protection Framework  
4 August 2021**

# Consumer Protection in e-Commerce in Singapore

## APEC Regional Consumer Protection Framework Workshop



Herbert Fung

Competition and Consumer Commission of Singapore

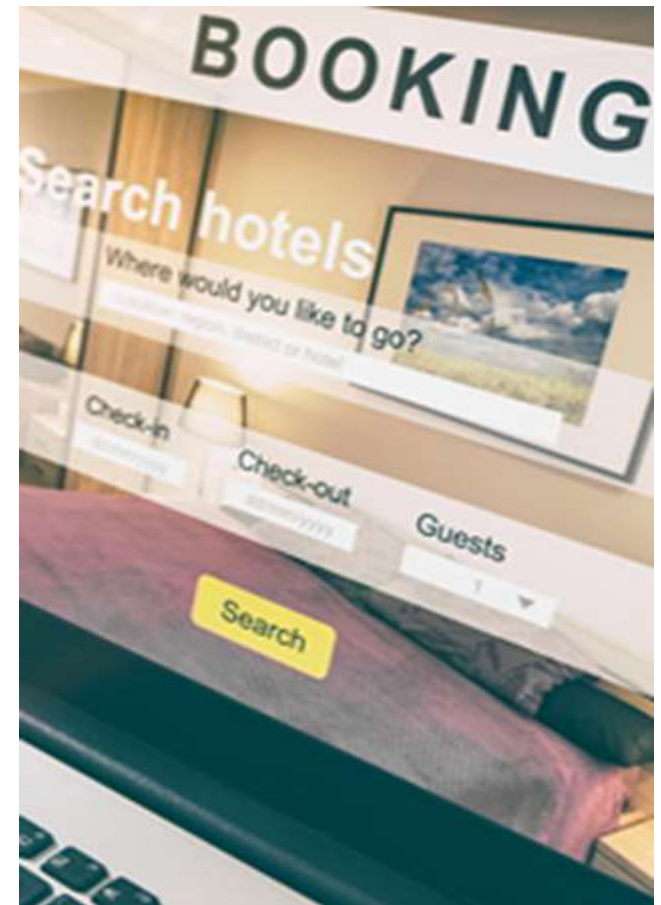
4 August 2021

# CCCS's multi-pronged approach to consumer protection in e-commerce



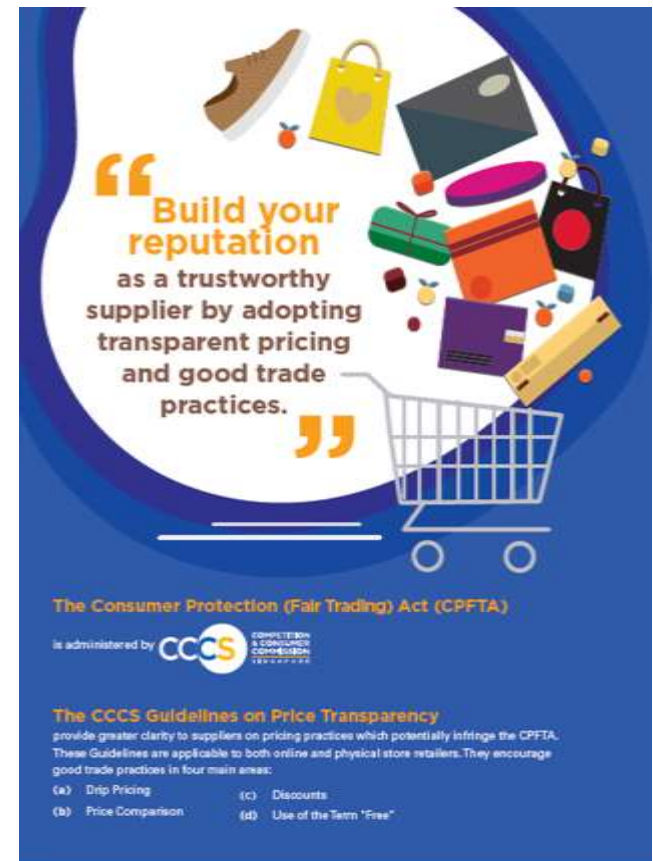
# Market study – Online Travel Booking (2019)

- Pre-COVID, OTB accounted for 61% of ASEAN's internet economy.
- Singapore's per-capita OTB expenditure highest in the region
- 4 common practices of OTB providers that give rise to consumer protection concerns identified:
  - » Drip pricing
  - » Pre-ticked boxes
  - » Strikethrough pricing
  - » Pressure selling using false claims



# Guidelines – Price Transparency (2020)

- Developed after the OTB market study, but not limited to online practices
- Providing clarity to suppliers on what pricing practices could infringe the Consumer Protection (Fair Trading) Act
- Four key pricing practices covered:
  - » Drip pricing
  - » Pricing comparison
  - » Discounts
  - » Use of the term “free”



The infographic features a central white circle on a blue background. Inside the circle, there are illustrations of various shopping items: a brown shoe, a yellow shopping bag, a black envelope, a pink suitcase, a green suitcase, an orange suitcase, a black suitcase, a purple suitcase, a yellow suitcase, and a shopping cart. The text inside the circle reads: "Build your reputation as a trustworthy supplier by adopting transparent pricing and good trade practices." Below the circle, the text reads: "The Consumer Protection (Fair Trading) Act (CPFTA) is administered by CCCS COMPETITION & CONSUMER COMMISSION SINGAPORE". At the bottom, it states: "The CCCS Guidelines on Price Transparency provide greater clarity to suppliers on pricing practices which potentially infringe the CPFTA. These Guidelines are applicable to both online and physical store retailers. They encourage good trade practices in four main areas: (a) Drip Pricing (b) Price Comparison (c) Discounts (d) Use of the Term 'Free'".

**Build your reputation**  
as a trustworthy  
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The Consumer Protection (Fair Trading) Act (CPFTA)  
is administered by **CCCS** COMPETITION & CONSUMER COMMISSION SINGAPORE

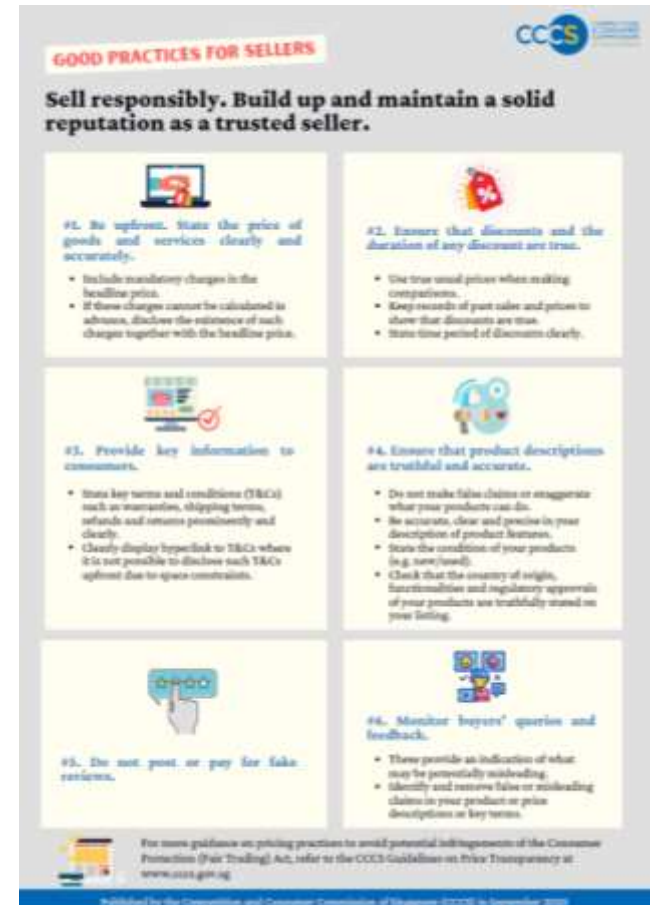
The CCCS Guidelines on Price Transparency provide greater clarity to suppliers on pricing practices which potentially infringe the CPFTA. These Guidelines are applicable to both online and physical store retailers. They encourage good trade practices in four main areas:

(a) Drip Pricing (c) Discounts  
(b) Price Comparison (d) Use of the Term "Free"



# Market study – e-Commerce Platforms (2020)

- Covered both competition and consumer protection issues on e-commerce platforms in Singapore
- Findings in relation to consumer protection:
  - » Consumer trust is key to success for e-commerce platforms
  - » Platforms have measures to protect consumers, but consumers still encounter unfair practices from sellers
  - » Common issues: limited-time discounts, limited quantities, false claim of benefits
  - » Platforms should raise seller awareness for better protection of consumers
  - » Consumers should also exercise due care



# Enforcement – the Expedia case (2020)

- Self-initiated investigation arising out of CCCS’s market monitoring efforts
- *“Daily Deals”* on Expedia Singapore’s website represented as *“Hot deals for 24hrs only!”* and *“These scorchin’ deals change daily at 12:00 AM (Singapore Time)”*.
- CCCS found at least 55 *“Daily Deals”* unchanged after 12AM
- Pressure selling by creating a false sense of urgency for consumers to make an immediate purchase, in breach of section 4(b) of the CPFTA
- CCCS accepted undertaking from BEX to cease illegal practices and implement measures to ensure compliance

# Detection – Complaint Analytics

- Topic clustering of consumer complaints by algorithm:
  - » Topics can be by industry or by thematic issues
  - » Top 10 industries/themes are ranked based on relevance score
  - » Top 3 complaints flagged under each topic
- Complaints flagged by analytics leading to follow-up actions:
  - » Oct 2020: topic cluster identified on the sale of “surgical” masks that were not truly of surgical grade
  - » More targeted online surveillance conducted
  - » Listing with false claim removed from a major platform





# Collaborations – Personal Data Protection

- Intersections between personal data, competition and consumer protection policy and enforcement:
  - » Digital platforms using their market power to force consumer consent on sharing personal data
  - » Hidden terms of use of personal data in seeking consumer consent
- CCCS collaborations in this area – locally and internationally:
  - » Personal Data Protection Commission (PDPC), Singapore
  - » Digital Citizen & Consumer Working Group (DCCWG) of the Global Privacy Assembly (GPA)
  - » International Competition Network (ICN)
  - » International Consumer Protection and Enforcement Network (ICPEN)

# Recap: CCCS's multi-pronged approach to consumer protection in e-commerce



**Thank You**