

MEDIA RELEASE

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Salon One Beauty Salon Undertakes to Cease False and Misleading Claims and Pressure Sales Tactics

1. An investigation by the Competition and Consumer Commission of Singapore (“**CCCS**”) under the Consumer Protection (Fair Trading) Act 2003 (“**CPFTA**”) has found that Salon One Beauty Salon Pte. Ltd. located in Ang Mo Kio (“**Salon One AMK**”) and seven other related entities¹ (collectively referred to as the “**Salon One Entities**”) engaged in one or more of the following unfair practices between October 2017 to August 2022:
 - (a) Falsely representing to consumers, through its marketing materials or staff, that there were price discounts for basic haircuts for members and non-members, where in fact, these perceived discounts never existed as they were discounted from prices that were never offered;
 - (b) Making unsubstantiated representations on the Salon One Entities’ treatments including claims that their “Herbal Head Spa” treatment was able to prevent Alzheimer’s disease, brain stroke, cerebral infarction, cerebral thrombosis and cerebral hemorrhage, as well as enhance memory. Such representations were also made to certain consumers who were not able to reasonably ascertain if the claimed efficacy and health benefits of the treatments existed.
2. CCCS found that Salon One Bukit Batok and Salon One MP560 had falsely claimed that a price discount of \$359 existed for both of their “TCM Meridian Eye Treatment and Spleen” and “Stomach Naval Candling” services, where in fact, the actual price discounts were only \$159 and \$59 respectively. Salon One Bukit Batok had also misrepresented that a price discount of \$138.10 existed for the “Deep Water Oxygen Clean Management” service where the actual price discount was only \$98.10. Through banners placed outside their operating premises, Salon One Bukit Batok and Salon One MP560 also made false representations that led

¹ The other entities are Salon One 2 Beauty Salon Pte. Ltd. (“**Salon One Tampines**”), Salon One 3 Beauty Salon Pte. Ltd. (“**Salon One MP560**”), Salon One 4 Beauty Salon Pte. Ltd. (“**Salon One Clementi**”), Salon One 5 Beauty Salon Pte. Ltd. (“**Salon One Bukit Batok**”), Salon One 6 Beauty Salon Pte. Ltd. (“**Salon One Pasir Ris**”), Salon One 7 Beauty Salon Pte. Ltd. (“**Salon One MP590**”) and Salon One 8 Beauty Salon Pte. Ltd. (“**Salon One Bangkit**”). Both Salon One MP560 and Salon One MP590 are located in Marine Parade.

consumers to believe that discounted prices for certain services² were only available for a limited period of time due to an “Opening Promotion” which created a false sense of urgency. However, CCCS found that these banners had been on display and the discounted prices were available for a sustained period which went far beyond the opening dates of both entities.

3. CCCS’s investigations also found that some of the Salon One Entities had engaged in persistent sales talks which caused consumers to feel pressured to purchase certain services or products, even though the consumers had already declined or expressed no interest to purchase these.
4. The Consumers Association of Singapore (“**CASE**”) referred Salon One AMK and three other Salon One Entities (i.e. Salon One Tampines, Salon One MP560 and Salon One Clementi) to CCCS in October 2020, after consumer complaints against these entities persisted despite these entities entering into a Voluntary Compliance Agreement with CASE in October 2019. CASE also issued a Company Alert on Salon One AMK regarding aggressive pressure selling tactics³ in July 2019. Following the referral, further checks by CCCS into the related entities operating under the “Salon One” brand name revealed that four other Salon One Entities (i.e. Salon One Bukit Batok, Salon One Pasir Ris, Salon One MP590, and Salon One Bangkit) had engaged in similar conduct. CCCS commenced investigations into the conduct of the Salon One Entities in July 2021.
5. In the course of investigations, CCCS noted that the Salon One Entities took active steps to make changes to their business practices to ensure compliance with the CPFTA and removed all false or misleading claims in their marketing materials relating to price benefits, promotions and the efficacy of certain treatments in preventing medical conditions.
6. To address CCCS’s concerns arising from the investigation, the Salon One Entities have given an undertaking to CCCS that each of them will, amongst other things:
 - (a) stop engaging in the identified unfair practices referred to above in paragraphs 1 to 3 and not engage in any other unfair practices under the CPFTA;
 - (b) not make any claims or guarantees about the results, benefits or effects of their treatments or products unless these claims or guarantees are substantiated by scientific data or other objectively verifiable evidence;
 - (c) take all reasonable steps to make sure that their staff do not exert undue pressure on consumers to purchase their services or products;

² Such as the “Deep Water Oxygen Clean Treatment”, “Facial Scraping Management”, “Mist Eyebrow Embroidery”, “Face & Eyebrow Threading”, “RF Face Lifting” and “V Shape Face Slimming”.

³ CASE Company Alert: <https://www.case.org.sg/list/salon-one-beauty-salon-pte-ltd/>

- (d) include in their contracts/invoices/receipts for their services or products a term that allows consumers a 5-day cooling off period to cancel their transactions and make sure that this term is acknowledged by consumers;
 - (e) put in place an internal compliance policy to make sure that their marketing materials and practices comply with the CPFTA; and
 - (f) make sure that their staff undergo training to familiarise themselves with the types of conduct that would amount to an unfair practice under the CPFTA and maintain records of the training undergone by each staff.
7. The Salon One Entities' sole director, Ms. Tan Yawen, has also given an undertaking to CCCS that she will not engage in, abet, aid, permit or procure any of the Salon One Entities to engage in the identified unfair practices referred to above or any other unfair practices under the CPFTA.
 8. CCCS has accepted the undertakings and issued a warning to the Salon One Entities after considering the facts of the case and the steps taken by the Salon One Entities to address CCCS's concerns. CCCS will initiate further investigations if any of the Salon One Entities breaches the undertaking or engages in any other unfair practices. If necessary, CCCS will seek declarations and court injunctions against persistently errant suppliers.
 9. "The beauty industry has consistently seen a high rate of consumer complaints. Businesses should provide consumers with clear and accurate information on their prices, discounts and promotions. Claims about the benefits, performance and qualities of their products and services should be accurate and substantiated. We will ramp up our efforts to educate suppliers on the practices that they should avoid to comply with fair trading laws. We also want to empower consumers to be able to say "No" when they come across situations such as pushy sales tactics, offers that seem too good to be true or dubious claims," said CCCS's Chief Executive, Ms. Sia Aik Kor.
 10. Consumers can exercise their right to refuse any service, deals or packages offered by businesses and decline products and services that are marketed with unsubstantiated claims or through undue pressure sales tactics. Consumers who encounter unfair practices can approach CASE for assistance. For more information, please visit www.case.org.sg or call 9795 8397.

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Encl. Infographic: Be a trusted supplier in the beauty industry

About the Competition and Consumer Commission of Singapore

The Competition and Consumer Commission of Singapore (“**CCCS**”) is a statutory board of the Ministry of Trade and Industry. CCCS administers and enforces the Competition Act 2004 which empowers CCCS to investigate and adjudicate anti-competitive activities, issue directions to stop or prevent anti-competitive activities and impose financial penalties. CCCS is also the administering agency of the Consumer Protection (Fair Trading) Act 2003 or (“**CPFTA**”) which protects consumers against unfair trade practices in Singapore. Our mission is to make markets work well to create opportunities and choices for businesses and consumers in Singapore.

For more information, please visit www.cccs.gov.sg.

For media clarifications, please contact:

Ms. Grace Suen
Senior Assistant Director, Communications
Competition and Consumer Commission of Singapore
Email: grace_suen@cccs.gov.sg

Mr. Ng Swee Kang
Assistant Director, Communications
Competition and Consumer Commission of Singapore
Email: ng_swee_kang@cccs.gov.sg