

**PUBLIC CONSULTATION ON CCCS DRAFT GUIDELINES
ON PRICE TRANSPARENCY**

30 September 2019

FOREWORD

Introduction

The Competition and Consumer Commission of Singapore (“CCCS”) is publishing guidelines in relation to price transparency, to guide suppliers in their display and advertisement of prices to avoid infringing the Consumer Protection (Fair Trading) Act (“CPFTA”).

This document includes the draft guidelines on price transparency and questions for interested parties to reflect and respond to.

Responding to this consultation

CCCS welcomes responses to this consultation draft from all stakeholders, including members of the public, the business community, government departments, as well as law firms. Where appropriate, persons responding to this consultation should give an indication of the organisation(s) or interests they represent.

The consultation period begins on 30 September 2019 and will end on 21 October 2019.

You may wish to submit your response via our Public Consultation Online Form at www.cccs.gov.sg/media-and-consultation/public-consultation/public-consultation-online-form.

Alternatively, you may also write or email your response to:

- (i) Post/Courier:
Competition and Consumer Commission of Singapore
45 Maxwell Road
#09-01, The URA Centre
Singapore 069118
Attention: Ms. Davina Wong, Senior Assistant Director (Consumer Protection)

- (ii) Email: cccs_feedback@cccs.gov.sg

It would be helpful if respondents could organise their submissions as follows:

- (i) Cover Page
- (ii) Table of Contents
- (iii) Statement of Interest
- (iv) Summary of Major Points
- (v) Comments and Responses to Questions
- (vi) Conclusion

Supporting material may be annexed. All submissions should be clearly and concisely written and should provide a reasoned explanation for any proposed amendments or additions. Where feasible, respondents should identify the specific section or paragraph on which they are commenting.

After evaluating the comments and feedback to the guidelines, CCCS will publish a summary of the key comments to this consultation. Respondents may request that any part of the submission that they believe to be proprietary, confidential or commercially sensitive be kept confidential. Any such information should be clearly marked. Where CCCS agrees with the request, it will consider the information but will not publicly disclose it. If CCCS rejects the request, it will not consider the information and will return the information to the respondent. As far as possible, respondents should limit any request for confidential treatment of information submitted. CCCS will not accept any submission that requests confidential treatment of all, or a substantial part of the submission.

Next Steps

Following this consultation, CCCS will review the responses provided and take them into account in considering the amendments to be made to the draft guidelines.

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Background

1. The retail industry has changed significantly in recent years especially with the advent of Internet and mobile retailing. Having an online presence and building an e-commerce platform have become important for many businesses. According to Euromonitor, the Internet retail sales value in Singapore rose by 11% in 2018 to reach SGD 2.1 billion.¹ Further growth is to be expected.
2. To stay ahead, platforms and businesses have come up with different ways to present information and devised various strategies to entice consumers to purchase their goods and services. With these developments in the industry, the requirement for suppliers to provide information which is not false or misleading has become more important.
3. When comparing goods and services for purchase, price is an important consideration for most consumers. In the absence of clear information on pricing, consumers would not be able to make informed purchasing decisions. When consumers are misled and patronise suppliers who have engaged in false or misleading pricing practices, suppliers who have been transparent and clear in their pricing practices are penalised instead. To address these issues, the importance of price transparency and the provision of clear and truthful display and advertisement of prices so as not to mislead consumers, will be expounded in the guidelines.
4. Specifically, the guidelines provide details on issues pertaining to both online and physical retail pricing practices, including
 - (i) Drip pricing and pre-ticked boxes;
 - (ii) Price comparisons;
 - (iii) Discounts; and
 - (iv) Use of the term “free”.
5. The guidelines provide information on CCCS’s approach, positions and recommendations on the display and advertisement of prices going forward. However, as each case is different, CCCS may deviate from the stated approaches where relevant and necessary.

¹ Euromonitor, 2019. *Internet Retailing in Singapore*.

Questions for Reflection and Consultation

1. Do you consider the guidelines to be clear and user-friendly?
2. Do the guidelines enhance your understanding of what constitutes an unfair practice in relation to the display and advertisement of prices?
3. Do the guidelines enhance your understanding of what actions to take or avoid or to take note of in relation to the pricing practices of drip pricing, the use of pre-ticked boxes, comparing prices, offering discounts and using the term “free”?
4. Do you support the proposed actions that suppliers should take in relation to the pricing practices covered in the guidelines? Do you consider the proposed actions to be sufficient? Please provide details to explain your view.
5. Are there any areas where you think CCCS should provide further clarification or consider changes and proposed actions?