



# CCCS STAKEHOLDER PERCEPTION SURVEY 2019

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## BACKGROUND AND METHODOLOGY - QUANTITATIVE SURVEY

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CCCS commissioned Nexus Link Pte Ltd to conduct the Stakeholder Perception Survey (SPS) 2019, with the aim to identify the current knowledge levels and perceptions of two (2) main groups of stakeholders (consumers and businesses) towards CCCS's work, and the competition and consumer protection regimes in Singapore. The SPS is split into 2 parts: (i) Quantitative survey on businesses and consumers (ii) Focus group discussions for government agencies, businesses and practitioners.

The results from SPS 2019 will help CCCS acquire robust insights into how the different groups of stakeholders perceive CCCS and assist CCCS in identifying areas for improvement. As the questions asked and methodology (including the rating scale) used in SPS 2019 differ from those in SPS 2017, no longitudinal comparison can be made between the results found in SPS 2017 and those in SPS 2019.

# BACKGROUND AND METHODOLOGY - QUANTITATIVE SURVEY

TASK	DESCRIPTION	
Target Audience	Businesses (Quotas by specific industries using SSIC classification based on value-add contribution of each industry)	Consumers (Singapore Citizens and Permanent Residents, aged 15 and above#)
Data Collection Method	Online survey, supplemented with face-to-face survey*	Nationwide door-to-door survey
Duration of Data Collection	18 November 2019 – 24 January 2020	
Sample Size Achieved	420	402

\* Of which, 371 (88.3%) were face-to-face surveys and 49 (11.7%) were online surveys

# BACKGROUND AND METHODOLOGY - QUANTITATIVE SURVEY

	BREAKDOWN OF BUSINESSES (N = 420)
Role in organisation	<ul style="list-style-type: none"> <li>• Business Owner/Sole Proprietor (11.9%)</li> <li>• Senior Management/C-Level Suite (8.3%)</li> <li>• Middle Management (e.g. Manager, Senior Manager etc.) (79.8%)</li> </ul>
Industry	<p>Quotas by specific industries use the SSIC classification based on value-add contribution of each industry:</p> <ul style="list-style-type: none"> <li>• Manufacturing (21.4%)</li> <li>• Business Services (18.1%)#</li> <li>• Wholesale &amp; Retail Trade (17.6%)</li> <li>• Finance &amp; Insurance (13.8%)</li> <li>• Other Services Industries (10.7%)#</li> <li>• Transport &amp; Storage (7.4%)</li> <li>• Accommodations &amp; Food Services (6.2%)</li> <li>• Construction (4.8%)</li> </ul>
Type of organisation	<ul style="list-style-type: none"> <li>• Local Enterprise (85.0%)</li> <li>• Multinational Corporation (MNC) (15.0%)</li> </ul>
Annual turnover of organisation	<ul style="list-style-type: none"> <li>• Less than SGD1 Million (20.2%)</li> <li>• &gt;SGD1 Million – SGD100 Million (19.0%)</li> <li>• &gt;SGD100 Million (4.5%)</li> <li>• Prefer not to reveal (56.2%)</li> </ul>

# BACKGROUND AND METHODOLOGY - QUANTITATIVE SURVEY

	BREAKDOWN OF CONSUMERS (N = 402)	
Residential Status	<ul style="list-style-type: none"> <li>• Singapore Citizen (87.8%)</li> <li>• Singapore Permanent Resident (PR) (12.2%)</li> </ul>	
Age Group	<ul style="list-style-type: none"> <li>• 15-34 (32.8%)</li> <li>• 35-54 (36.6%)</li> <li>• 55 and above (30.6%)</li> </ul>	
Dwelling Type	<ul style="list-style-type: none"> <li>• HDB 1 or 2 or 3-room flat(27.6%)</li> <li>• HDB 4 or 5 room flat/Other HDB flat (55.5%)</li> <li>• Private Housing (16.9%)</li> </ul>	
Gender	<ul style="list-style-type: none"> <li>• Male (46.3%)</li> <li>• Female (53.7%)</li> </ul>	
Ethnicity	<ul style="list-style-type: none"> <li>• Chinese (83.1%)</li> <li>• Malay (8.7%)</li> <li>• Indian (6.5%)</li> <li>• Others (1.7%)</li> </ul>	
Highest Academic Qualification	<ul style="list-style-type: none"> <li>• Postgraduate Degree (3.2%)</li> <li>• University Degree (30.1%)</li> <li>• Polytechnic (Diploma) (24.6%)</li> <li>• Junior College/Pre-U Centre (5.0%)</li> </ul>	<ul style="list-style-type: none"> <li>• ITE/NTC (4.7%)</li> <li>• Secondary (“N”/”O” levels) (21.6%)</li> <li>• Primary (8.0%)</li> <li>• No formal education (2.7%)</li> </ul>



# GENERAL AWARENESS

# AWARENESS OF CCCS/COMPETITION ACT/CPFTA

**Majority of businesses and consumers are unaware of CCCS, the Competition Act or the CPFTA.**

**Businesses Q6/Consumers Q9 Have you heard of the...**

	% Yes	
	Businesses (n=420)	Consumers (n=402)
Competition and Consumer Commission of Singapore (CCCS)	18.3%	18.2%
Competition Act	29.8%	20.9%
Consumer Protection (Fair Trading) Act, or CPFTA	34.0%	23.6%

The **level of awareness of some of CCCS's cases are comparatively higher** for e.g. Investigation into the Grab-Uber Merger (B: 45.0%/C: 70.6%) and Review of NTUC Enterprise's acquisition of Kopitiam (B: 37.1%/C: 55.7%).



# AWARENESS OF ANTI-COMPETITIVE PRACTICES

However, a high proportion of stakeholders are aware that price-fixing (B: 88.1%/ C: 60.7%) and bid-rigging (B: 73.1%/C:53.2%) are anti-competitive practices.

**Businesses Q8/Consumers Q11** Please indicate whether you think the following statements on anti-competitive practices are “True”, “False” or “Don’t know”.

	Businesses	
	n	% Correct Answer
		True
It is illegal for competitors to fix prices.	420	88.1%
It is illegal to discuss your bids with their competitors.	420	73.1%

	Consumers	
	n	% Correct Answer
		True
It is illegal for companies to fix prices.	402	60.7%
It is illegal for companies to discuss bids they want to submit with their competitors.	402	53.2%

# AWARENESS OF UNFAIR TRADE PRACTICES

Similarly, a high proportion of stakeholders are also aware that misleading claims (B: 89.3% / C:72.1%) is an unfair trade practice.

**Businesses Q9/Consumers Q12** Please indicate whether you think the following are unfair trade practices in Singapore.

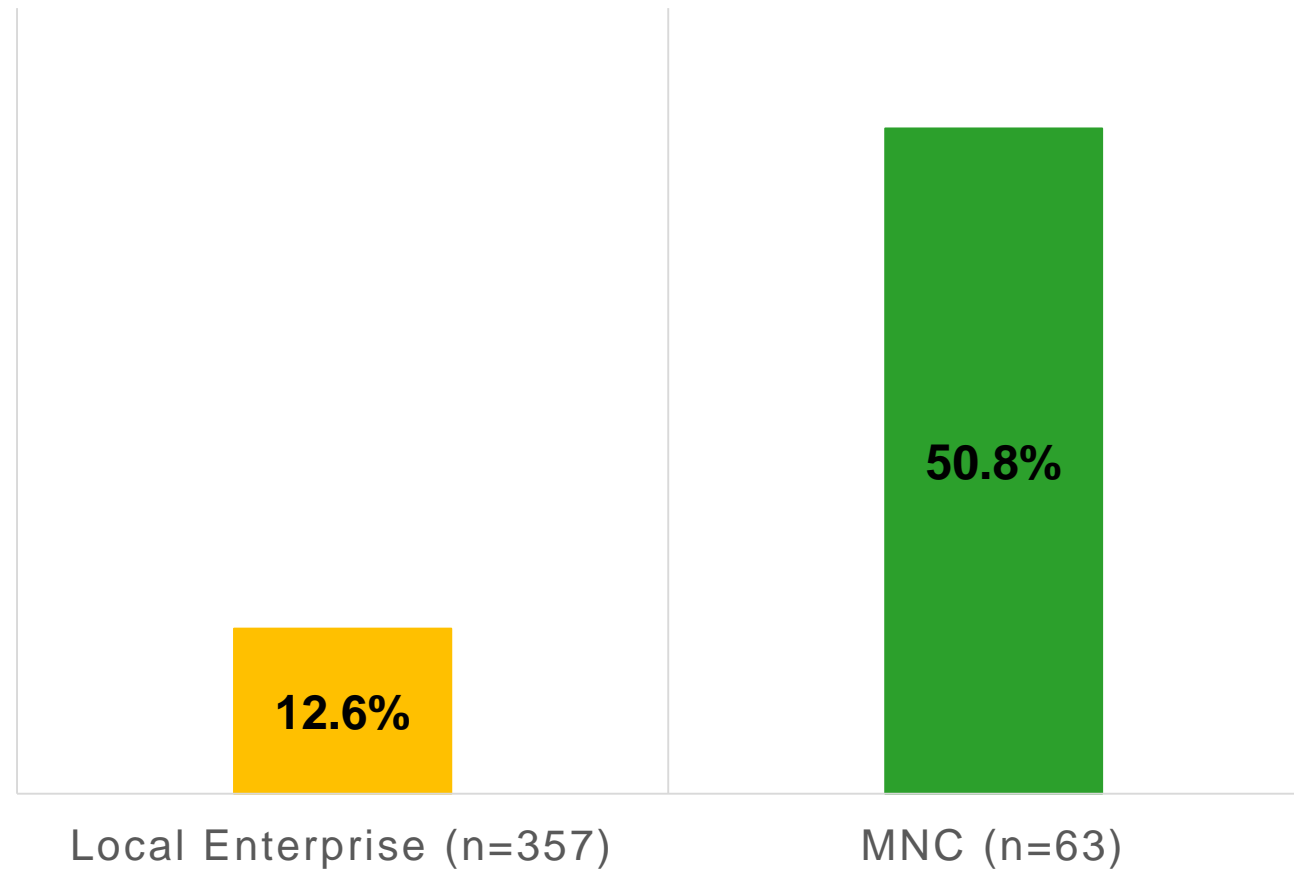
	Consumers		Business	
	n	%	n	%
Suppliers who make false or misleading claims.	402	72.1%	420	89.3%

# AWARENESS OF CCCS BY ORGANISATION TYPE

## Organisation Type

- MNC > Local Enterprise

50.8% of MNCs are aware of CCCS as compared to only 12.6% of Local Enterprises.



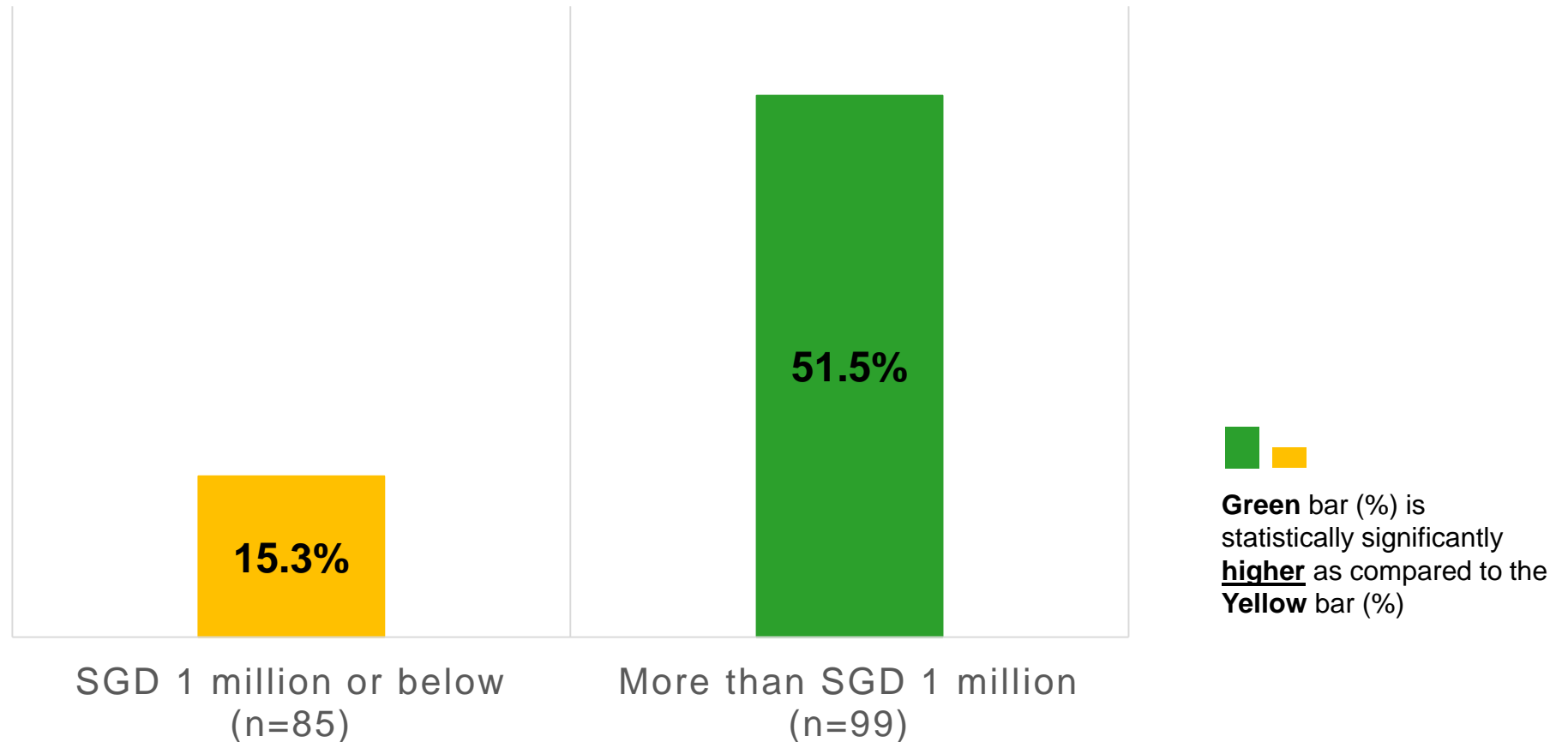
**Green** bar (%) is statistically significantly **higher** as compared to the **Yellow** bar (%)

# AWARENESS OF CCCS BY ANNUAL TURNOVER

## Annual Turnover

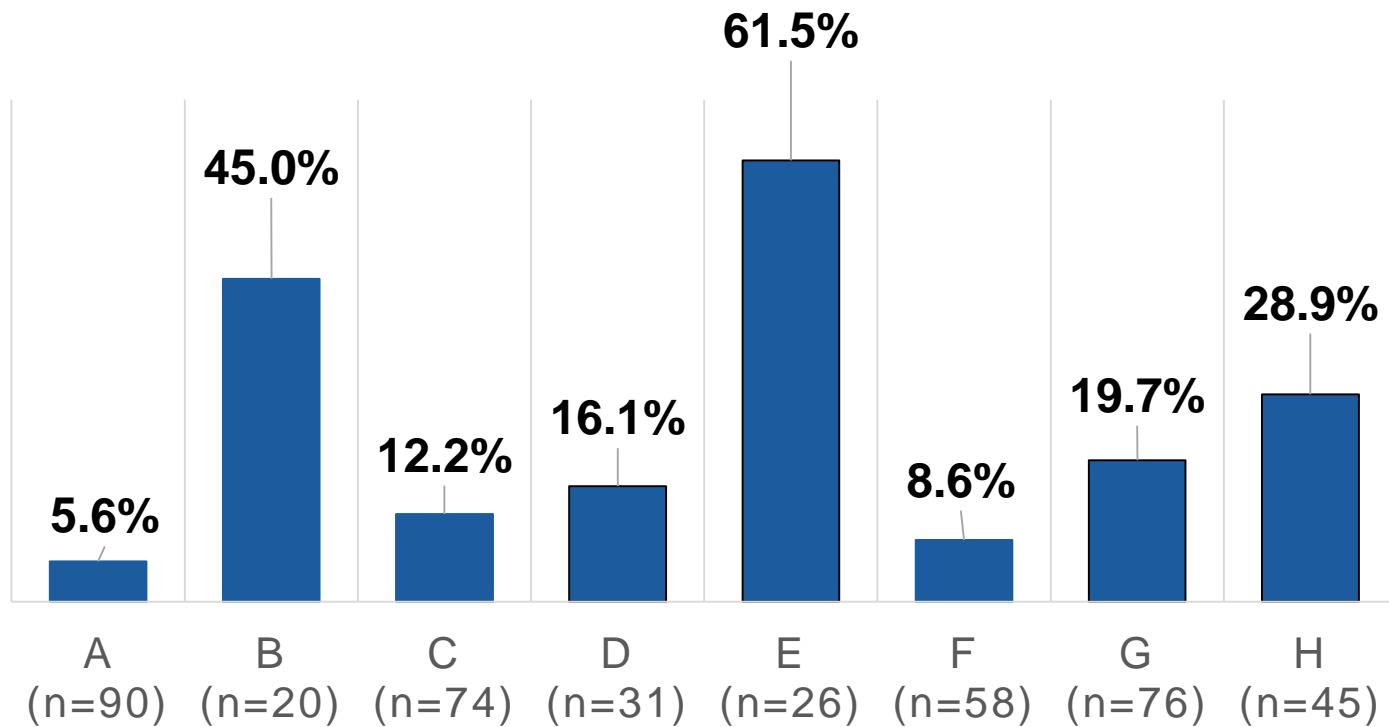
- More than SGD 1 million > SGD 1 million or below

**51.5% of companies with annual turnover of > 1 million are aware of CCCS as compared to only 15.3% of companies with annual turnover of <= 1 million.**



# AWARENESS OF CCCS BY INDUSTRY

Across the industries, Awareness of CCCS is lower in Industries such as Manufacturing (B:5.6%) and Finance & Insurance (B:8.6%) than in industries such as Accommodation & Food Services (B:61.5%) and Construction (B:45.0%).



## LEGEND (INDUSTRY)

- |                              |                                    |
|------------------------------|------------------------------------|
| A – Manufacturing            | E – Accommodations & Food Services |
| B – Construction             | F – Finance & Insurance            |
| C – Wholesale & Retail Trade | G – Business Services              |
| D – Transportation & Storage | H – Other Services Industries      |

n = number of respondents in that industry

\* Readers should exercise caution when interpreting findings from small samples sizes (i.e., <30).

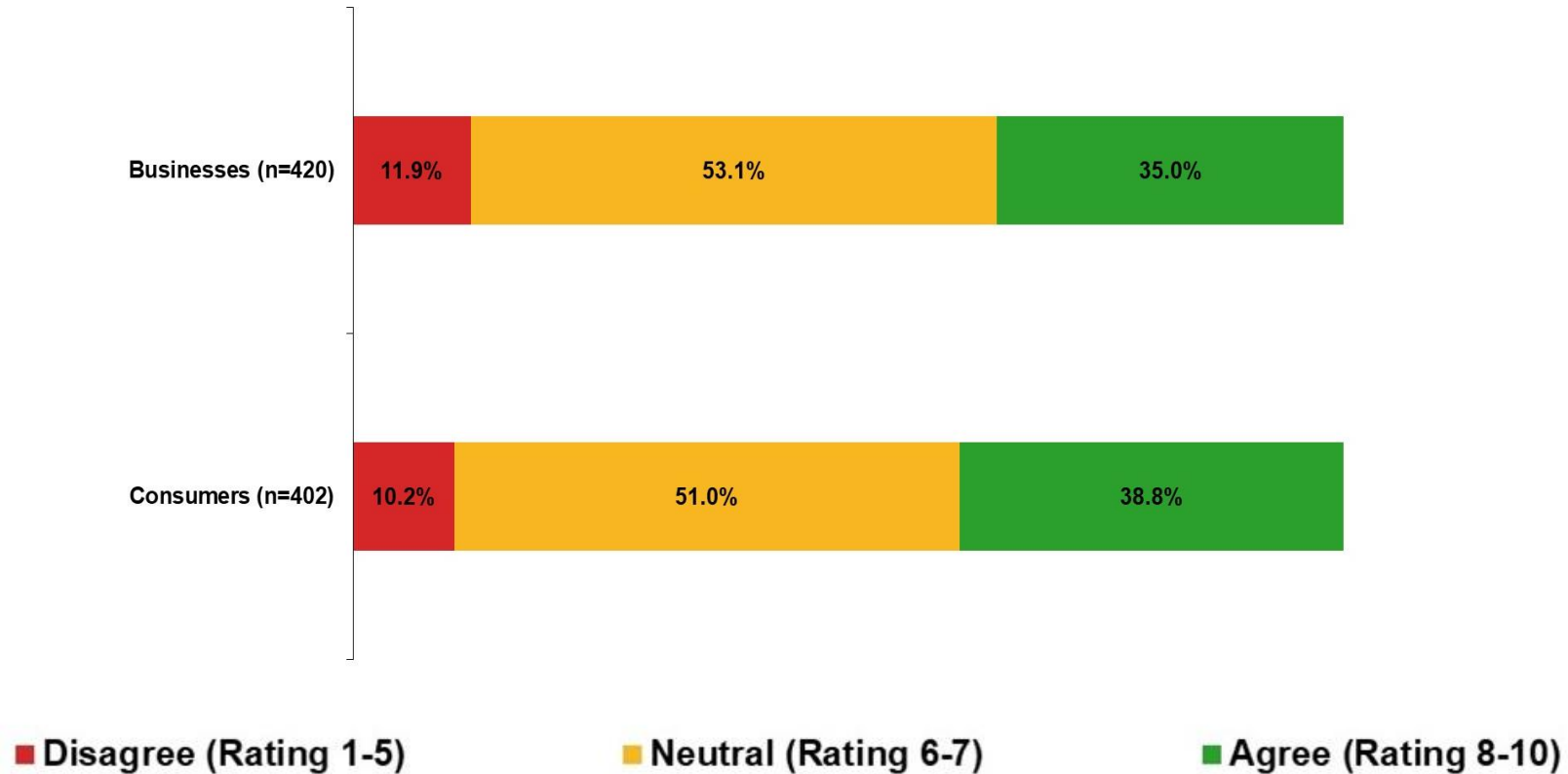


# ANTI-COMPETITIVE PRACTICES

# PERCEPTION OF FAIR COMPETITION

Majority of the respondents in both segments take a neutral stand about fair competition in Singapore.

**Businesses Q10/Consumers Q13 To what extent do you agree that businesses in Singapore compete fairly?**



# ANTI-COMPETITIVE PRACTICES IN SINGAPORE

**Price fixing is deemed as the most prevalent anti-competitive practice in Singapore.**

**Businesses Q11/Consumers Q14 What do you think are the common anti-competitive practices in Singapore? [Multiple answers allowed]**

<b>BUSINESSES (n=420)</b>	
<b>Price fixing</b>	<b>72.4%</b>
Selling at below cost by large/dominant suppliers to drive out competitors	51.9%
Market sharing	51.0%

<b>CONSUMERS (n=402)</b>	
<b>Price fixing</b>	<b>65.9%</b>
Market sharing	34.8%
Bid-rigging	34.6%



# CCCS'S LENIENCY PROGRAMME

**Most businesses are unaware of CCCS's Leniency Programme. Majority of businesses are likely to apply for CCCS's Leniency Programme upon their legal advisor's advice.**

	<b>% Yes Businesses (n=420)</b>
<b>Businesses Q14 Have you heard of CCCS's Leniency Programme?</b>	6.4%

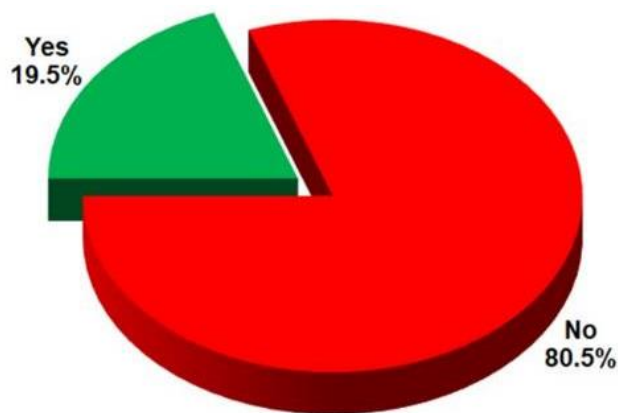
**Businesses Q16 What would make you more likely to apply or encourage your company to apply for CCCS's Leniency Programme if you are aware of anti-competitive practices engaged by your company? [Multiple answers allowed]**

	<b>n</b>	<b>%</b>
<b>If my company's legal advisor advises my company to do so</b>	<b>420</b>	<b>58.3%</b>
Little to no risk of me losing my job or being ostracised by my colleagues	420	45.2%
Full waiver of financial penalties	420	30.0%

# COMPETITION COMPLIANCE INITIATIVES

**Most businesses do not have any competition compliance initiatives, with almost half of them citing that they have more urgent priorities at hand.**

**Businesses Q17 Does your company have programmes/checklists/collaterals/training/talks etc. in place on compliance with the Competition Act? (n=420)**



**Businesses Q18 Why does your company not have programmes/checklists/collaterals/training/talks/etc. (i.e. compliance initiatives) in place? [Multiple answers allowed]**

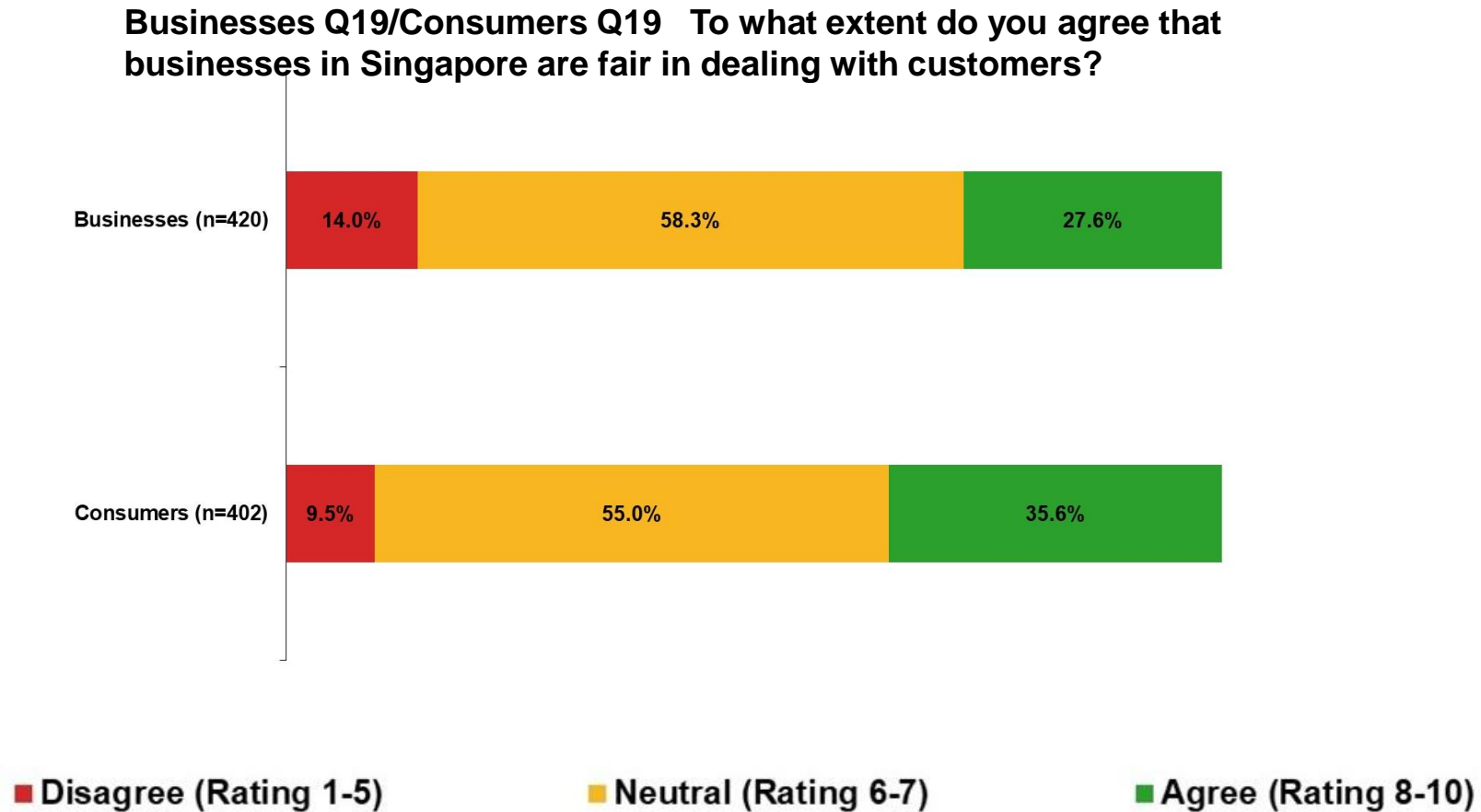
	n	%
There are other priorities that require more urgent attention and/or are more important.	338	49.4%
My company does not have sufficient resources to implement such initiatives.	338	30.8%
It is not an industry-wide practice to have such initiatives.	338	21.6%
My company does not know how to implement such initiatives.	338	10.4%
My company's staff is already aware of compliance with the Competition Act	338	5.3%



# UNFAIR TRADE PRACTICES

# PERCEPTION OF FAIR TRADE PRACTICES

Majority of the respondents from both segments take a neutral stand about whether businesses in Singapore are fair in dealing with customers.



# UNFAIR TRADE PRACTICES IN SINGAPORE

**False/misleading claims are seen as the most prevalent unfair trade practice in Singapore.**

**Businesses Q20/Consumers Q20 What do you think are the common unfair trade practices that harm consumers in Singapore? [Multiple answers allowed]**

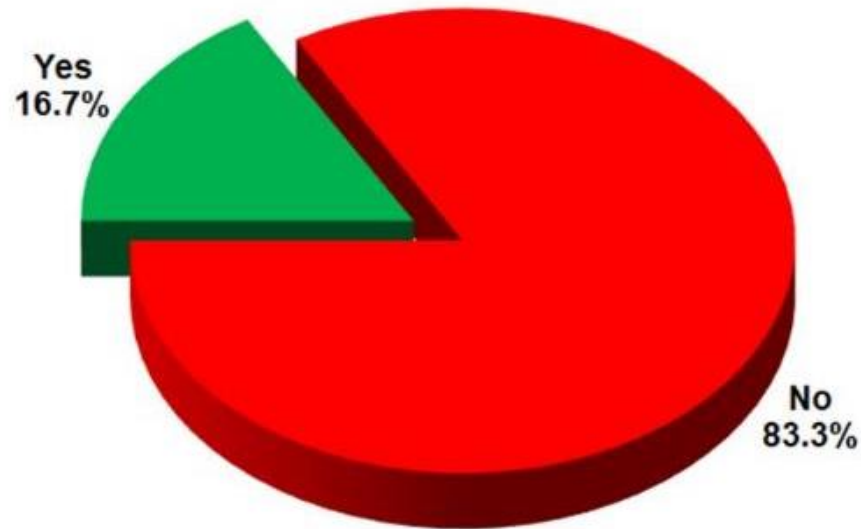
<b>BUSINESSES (n=420)</b>	
<b>Suppliers who make false or misleading claims</b>	<b>66.4%</b>
Suppliers who charge a price for goods and services that is substantially higher as compared to the estimate provided to the consumer	51.2%
Suppliers who use a seemingly objective report as an advertisement without stating that it is an advertisement	43.6%

<b>CONSUMERS (n=402)</b>	
<b>Suppliers who make false or misleading claims</b>	<b>59.2%</b>
Suppliers who exert undue pressure or undue influence on the consumer to enter a transaction	42.8%
Suppliers who charge a price for goods and services that is substantially higher as compared to the estimate provided to the consumer	37.1%

# CPFTA COMPLIANCE INITIATIVES

Most businesses do not have any CPFTA compliance initiatives, with nearly half of them citing that they have more urgent priorities at hand.

**Businesses Q23** Does your company have programmes/checklists/collaterals/training/talks etc. in place on compliance with the CPFTA?  
(n=420)



**Businesses Q24** Why does your company not have programmes/checklists/collaterals/training/talks/etc. (i.e. compliance initiatives) in place?  
[Multiple answers allowed]

	n	%
There are other priorities that require more urgent attention and/or are more important.	350	47.4%
My company does not have sufficient resources to implement such initiatives.	350	27.4%
It is not an industry-wide practice to have such initiatives.	350	25.1%
My company does not know how to implement such initiatives.	350	12.3%
My company's staff is already aware of compliance with the CPFTA.	350	3.4%

# INDUSTRIES WITH UNFAIR TRADE PRACTICES (CONSUMERS)

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Over 1/10 of consumers have encountered unfair trade practices in the Home Renovation, Beauty and Wellness and Home Electrical Appliances/Electronics sectors in the last two years.

**Consumers Q21** In which of the following sectors have you encountered unfair trade practices in the last two years? [Multiple answers allowed]

	n	%
Home Renovation	402	13.9%
Beauty and Wellness	402	13.7%
Home Electrical Appliances/Electronics (e.g. TV, radio, vacuum cleaner, washing machines etc.)	402	11.2%

# INDUSTRIES WITH UNFAIR TRADE PRACTICES (CONSUMERS)

The most commonly found unfair trade practices in the three sectors named in the previous slide are: misrepresentation, pressure selling and selling at a price substantially higher than originally quoted/estimated.

**Consumers Q22a** Which unfair trade practice(s) was prevalent in the beauty and wellness sector? [Multiple answers allowed]

Suppliers who...	n	%
Exert undue pressure or undue influence on the consumer to enter into a transaction.	55	45.5%
Make false or misleading claims.	55	41.8%
Charge a price for goods and services that is substantially higher as compared to the estimate provided to the consumer.	55	25.5%

**Consumers Q22b** Which unfair trade practice(s) was prevalent in the home renovation sector? [Multiple answers allowed]

Suppliers who...	n	%
Make false or misleading claims.	56	75.0%
Exert undue pressure or undue influence on the consumer to enter into a transaction.	56	53.6%
Charge a price for goods and services that is substantially higher as compared to the estimate provided to the consumer.	56	23.2%

**Consumers Q22e** Which unfair trade practice(s) was prevalent in the home electrical appliances/electronics sector? [Multiple answers allowed]

Suppliers who...	n	%
Make false or misleading claims.	45	57.8%
Exert undue pressure or undue influence on the consumer to enter into a transaction.	45	55.6%
Charge a price for goods and services that is substantially higher as compared to the estimate provided to the	45	11.1%

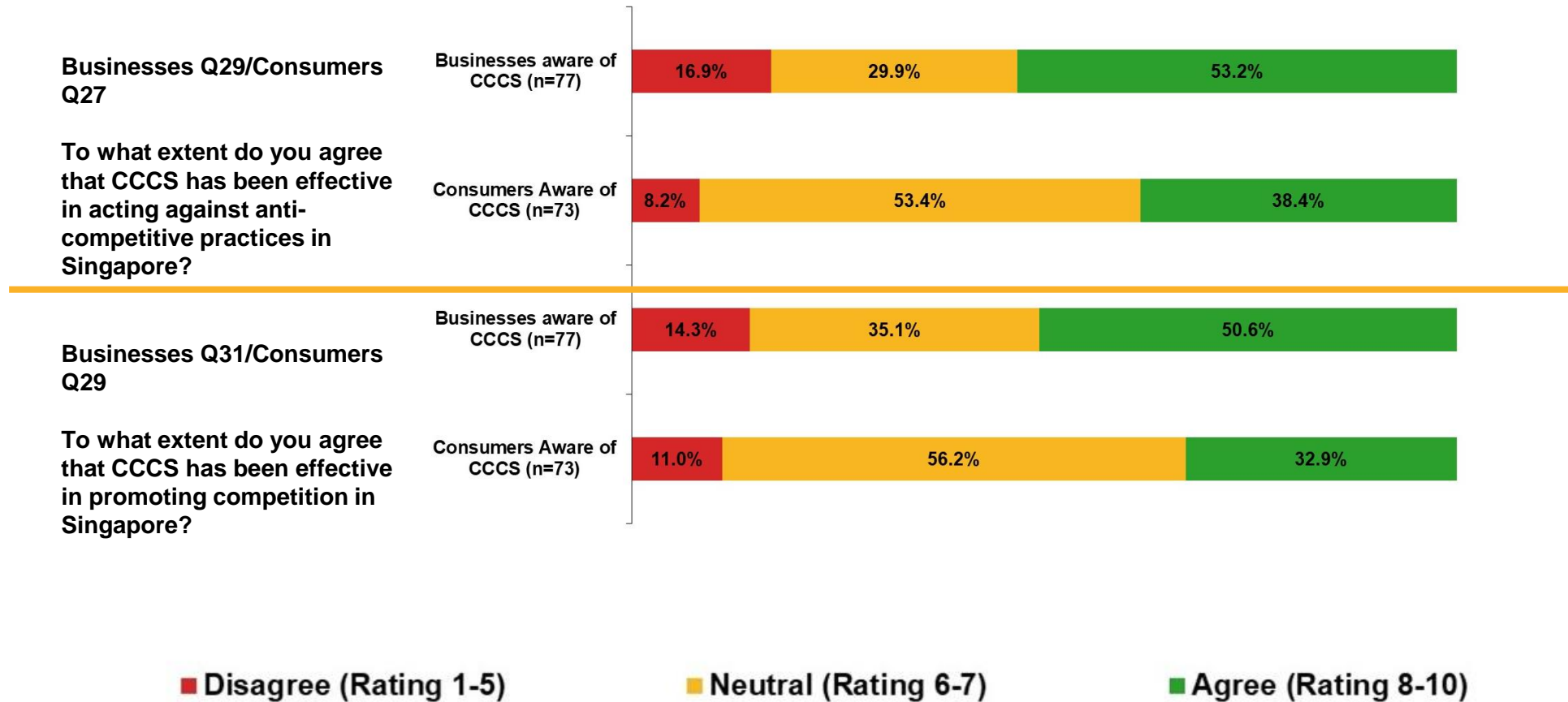




# EFFECTIVENESS OF CCCS

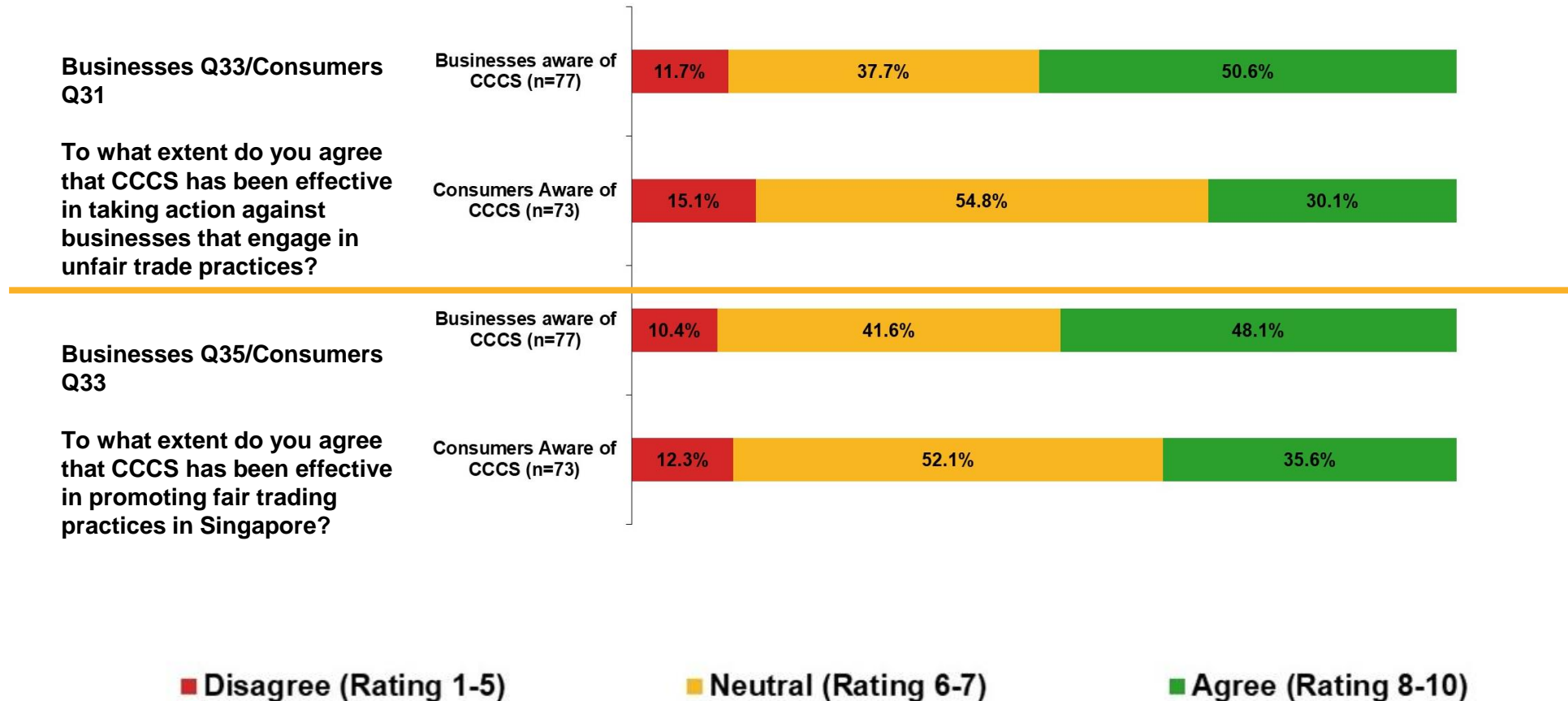
# EFFECTIVENESS OF CCCS – COMPETITION ENFORCEMENT

**Businesses have provided higher positive ratings than Consumers did about the effectiveness of CCCS's competition enforcement**



# EFFECTIVENESS OF CCCS – CPFTA ENFORCEMENT

**Businesses have provided higher positive ratings than Consumers did about the effectiveness of CCCS's CPFTA enforcement**



# WHAT CCCS CAN DO MORE – COMPETITION ENFORCEMENT

**Businesses Q30** What can CCCS do to be more effective in acting against anti-competitive business practices in Singapore? [Open-ended verbatim; Optional]

	n	%
<b>Audits and Supervision*</b>	77	6.5%
Rules, Regulations and Intervention	77	6.5%
Publicity and Education	77	5.2%
Disincentives and Penalties	77	3.9%

**Consumers Q28** What can CCCS do to be more effective in acting against anti-competitive business practices in Singapore? [Open-ended verbatim; Optional]

	n	%
<b>Disincentives and Penalties</b>	73	26.0%
Publicity and Education	73	15.1%
Rules, Regulations and Intervention	73	15.1%
Audits and Supervision	73	11.0%

## AUDITS AND SUPERVISION

- *More audits and supervision be put in place by CCCS to look for bid-rigging behaviour (i.e. more active market monitoring/surveillance to check for price-fixing/bid-rigging conduct).*

## DISINCENTIVES AND PENALTIES

- *More effective sanctions/remedies needed, e.g. the individual, not just the company, be held accountable for the bad behaviour and in the same vein, CCCS should not allow such individuals to set up new companies or change the company's name in order to continue with operations.*

# WHAT CCCS CAN DO MORE – CPFTA ENFORCEMENT

**Businesses Q34** What can CCCS do to be more effective in taking actions against businesses that engage in unfair trade practices?

[Open-ended verbatim; Optional]

	n	%
<b>Disincentives and Penalties</b>	<b>77</b>	<b>10.4%</b>
Publicity and Education	77	3.9%
Audits and Supervision	77	2.6%

## DISINCENTIVES AND PENALTIES

- *CCCS to blacklist/public shame errant retailers and continue to monitor these businesses with bad records*

**Consumers Q32** What can CCCS do to be more effective in taking actions against businesses that engage in unfair trade practices?

[Open-ended verbatim; Optional]

	n	%
<b>Disincentives and Penalties</b>	<b>73</b>	<b>46.6%</b>
Publicity and Education	73	13.7%
Rules, Regulations and Intervention	73	5.5%
Audits and Supervision	73	1.4%

## DISINCENTIVES AND PENALTIES

- *More effective sanctions/remedies needed, e.g. the individual, not just the company, be held accountable for the bad behaviour and in the same vein, CCCS should not allow such individuals to set up new companies or change the company's name in order to continue with operations*

# WHAT CCCS CAN DO MORE – PROMOTION OF COMPETITION

**Businesses Q32** What can CCCS do to be more effective in promoting competition in Singapore?

[Open-ended verbatim; Optional]

	n	%
<b>Publicity and Education</b>	<b>77</b>	<b>13.0%</b>
Rules, Regulations and Intervention	77	3.9%
Disincentives and Penalties	77	2.6%

**Consumers Q30** What can CCCS do to be more effective in promoting competition in Singapore?

[Open-ended verbatim; Optional]

	n	%
<b>Publicity and Education</b>	<b>73</b>	<b>20.5%</b>
Rules, Regulations and Intervention	73	15.1%
Audits and Supervision	73	13.7%
Disincentives and Penalties	73	11.0%

*Publicity and Education remains the most quoted for what CCCS can do to be more effective in promoting competition in Singapore*

# WHAT CCCS CAN DO MORE – PROMOTION OF FAIR TRADING PRACTICES

**Businesses Q36** What can CCCS do to be more effective in promoting fair trading practices in Singapore? [Open-ended verbatim; Optional]

	n	%
<b>Publicity and Education</b>	<b>77</b>	<b>10.4%</b>
Disincentives and Penalties	77	3.9%
Rules, Regulations and Intervention	77	2.6%

**Consumers Q34** What can CCCS do to be more effective in promoting fair trading practices in Singapore? [Open-ended verbatim; Optional]

	n	%
<b>Publicity and Education</b>	<b>73</b>	<b>32.9%</b>
Rules, Regulations and Intervention	73	12.3%
Audits and Supervision	73	9.6%
Disincentives and Penalties	73	5.5%

*Publicity and Education remains the most quoted for what CCCS can do to be more effective in promoting fair trading practices in Singapore*



# INFORMATION SOURCES



# REACHING OUT TO BUSINESSES AND CONSUMERS

To receive updates on CCCS/Competition Act/CPFTA, businesses prefer email or corporate collaterals/publications, whereas consumers prefer TV.

**Businesses Q37/Consumers Q35** What would be the best way for CCCS to reach out to your company/you and share information and updates about the Competition Act / CPFTA / CCCS?

<b>BUSINESSES (n=420)</b>	
<b>Email</b>	<b>24.2%</b>
<b>Corporate collaterals and publications</b>	<b>22.6%</b>
TV	10.5%

<b>CONSUMERS (n=402)</b>	
<b>TV</b>	<b>39.8%</b>
Internet/CCCS's website	12.9%
Social media	11.2%



END