

Pink Tax: Gender-Based Price Differences in the Marketplace

Dr. G R Dheekshana

PSG College of Arts & Science, Coimbatore.

Purpose

Pink Tax refers to the extra amount women are often charged for products and services that are marketed specifically to them. It is important to understand that Pink Tax is not an official tax imposed by the government; rather, it is a term used to describe gender-based price differences in the marketplace. The word “pink” symbolizes the common marketing strategy of using pink color, floral designs, or feminine branding to attract women consumers. In many cases, products designed for women are priced higher than similar products designed for men, even though the difference in manufacturing cost is minimal or nonexistent. This concept has become an important topic in discussions about consumer rights, gender equality, economic justice, and ethical marketing practices. Pink Tax reflects how social norms and marketing strategies can influence pricing decisions in ways that create an additional financial burden on women throughout their lives.

Methodology

The issue of Pink Tax gained widespread attention after research studies in developed countries highlighted systematic price differences between men’s and women’s products. A landmark study conducted by the New York City Department of Consumer Affairs in 2015 revealed that women’s products cost on average 7% more than similar products for men. The study compared hundreds of products across categories such as personal care, clothing, and toys. It found that women paid more in 42% of cases, while men paid more in only 18% of cases. The concept later expanded beyond product pricing to include services such as dry cleaning, haircuts, and vehicle maintenance, where women are sometimes charged higher rates than men for similar services.

Findings

Pink Tax is most commonly observed in personal care products. Women’s razors, shampoos, conditioners, deodorants, body washes, and lotions marketed to women may cost more than comparable men’s versions, even when ingredient lists and effectiveness are nearly identical. Clothing is another major area where price differences are seen. Women’s jeans, shirts, and basic garments may be priced higher than men’s versions despite using less material. Toys marketed to girls, especially those colored pink, are sometimes sold at higher prices than identical toys in other colors. Service industries are not exempt; dry cleaners may charge more for cleaning women’s shirts compared to men’s shirts, claiming additional complexity, even when the work involved is similar. One economic explanation is price discrimination, where companies charge different prices based on perceived willingness to pay. Businesses assume that women are willing to spend more on personal care and appearance-related products. Although companies cite higher marketing and design costs, critics argue that these differences rarely justify consistent higher pricing. Many scholars view Pink Tax as a reflection of deeper gender biases in economic systems.

Practical Implications

From a legal standpoint, many countries do not have specific laws directly prohibiting gender-based pricing. In India, there is no explicit ban on Pink Tax, though the Consumer Protection Act, 2019 addresses unfair trade practices and misleading advertisements, and the Legal Metrology Act, 2009 ensures transparency in labeling and pricing. Globally, some regions have taken stronger measures. For example, California has enacted laws prohibiting gender-based pricing discrimination in certain service sectors. The United Kingdom abolished the so-called tampon tax in 2021.

Consumer awareness plays a crucial role in reducing the impact of Pink Tax. When consumers compare prices, read labels carefully, and choose gender-neutral products, they can avoid unnecessary expenses. Governments can promote awareness through educational initiatives and stronger enforcement of consumer laws.

Social Implications

The financial impact of Pink Tax accumulates significantly over a woman’s lifetime. Although the price difference on a single product may appear small, repeated purchases over many years result in a substantial financial burden. Women typically purchase more personal care products due to social expectations regarding grooming and appearance. Women also require gender- specific products such as menstrual hygiene items, which represent unavoidable expenses. In India, sanitary napkins were initially taxed at 12% under the Goods and Services Tax regime before the tax was removed in 2018 following public protests. Pink Tax intersects with the gender pay gap. In many countries, women earn less than men for similar work. Paying more for everyday goods further reduces disposable income and savings potential, contributing to long-term economic inequality. In developing countries, even small price differences can influence living standards.

Originality/Value

Pink Tax provides a practical example of how marketing strategies intersect with ethics, consumer rights, and public policy. It highlights how social norms and branding practices can influence pricing decisions. For commerce and corporate governance studies, the concept illustrates the broader social responsibilities of businesses in ensuring fairness, transparency, and non-discriminatory pricing practices.

Conclusion

Pink Tax represents a hidden yet significant economic burden on women. Although not an official tax, it reflects systematic gender-based pricing differences across various goods and services. The issue is connected to broader themes such as gender equality, wage disparity, consumer protection, and ethical marketing. Legal reforms in certain regions demonstrate progress, but comprehensive solutions require combined efforts from governments, businesses, and consumers. Eliminating Pink Tax would promote fairness, reduce economic inequality, and contribute to a more inclusive and balanced marketplace.

