
UNDERSTANDING GENDER-BASED PRICE DISPARITIES: THE ECONOMIC INEQUALITY: ANALYSING THE IMPACT OF PINK TAX IN THE INDIAN MARKET

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ABSTRACT

The phenomenon of the "Pink Tax" highlights the economic discrimination faced by women due to gender-based price disparities in consumer goods and services. Although not a formal tax, this practice results in women paying more for products that are either identical or functionally similar to those marketed to men. In the Indian context, the Pink Tax remains a largely unaddressed issue, exacerbated by limited awareness and weak regulatory oversight. This article examines how gendered pricing manifests in the Indian market, explores its socio-economic implications—particularly for low-income and marginalized women—and evaluates the existing legal and policy frameworks. The article advocates for legislative action, transparency in pricing, and greater consumer awareness to combat this subtle yet pervasive form of gender inequality in India's economy.

Introduction

Economic inequality takes many forms, and among the most insidious is the often-overlooked phenomenon known as the "Pink Tax" — a term that encapsulates the gender-based price disparities faced by women for products and services that are either identical or substantially similar to those marketed to men. While the Pink Tax has received significant attention in Western economies, it is increasingly evident that Indian consumers, particularly women, are also subjected to similar disparities. This article aims to unpack the concept of the Pink Tax in the Indian context, explore its impact on women's economic participation, and assess the policy response needed to address this form of gendered economic inequality.

Understanding the Pink Tax

The term "Pink Tax" refers not to an actual government-imposed tax but to the higher prices often charged for products marketed to women compared to similar products for men. These include personal care products (e.g., razors, deodorants, shampoos), clothing, and services like dry cleaning or haircuts. Often, the only distinguishing features are color, packaging, or fragrance, with no difference in functionality or formulation¹.

This pricing phenomenon stems from a combination of gender-targeted marketing, brand positioning strategies, and perceived value. In many cases, manufacturers and retailers exploit the societal expectation that women are more invested in personal care and appearance, thus more likely to pay premium prices for products positioned as feminine².

The Pink Tax in the Indian Market

While comprehensive studies on the Pink Tax in India are limited, anecdotal and market-based evidence strongly suggests that the problem exists and is widespread. For example:

- **Razors and personal grooming:** A basic men's razor may cost ₹20–₹25, while a similarly functioning women's razor, with only aesthetic differences like color and

¹ New York City Department of Consumer Affairs. (2015). *From Cradle to Cane: The Cost of Being a Female Consumer*

² Basu, A. (2021). "Marketing and Gendered Consumerism in India." *Journal of Gender Studies in Economics*, Vol. 4.

handle design, may cost ₹30–₹40³.

- **Personal hygiene products:** Sanitary products, while exempted from GST after widespread activism, are still expensive compared to male-oriented hygiene products. Furthermore, variants of body washes, lotions, or deodorants for women are often costlier despite similar or lower ingredient volumes⁴.
- **Services sector:** Salons, spas, and even laundries often charge more for women's services. A haircut for women can cost upwards of ₹500 in urban India, while men might pay ₹150–₹200 at the same salon, even when the time and effort involved are comparable⁵.

This phenomenon contributes to a subtle but persistent economic burden on women, making their cost of living higher over time.

Socio-Economic Implications

The Pink Tax is not merely a pricing anomaly; it reflects deeper economic and gender-based inequities. Here are a few significant implications:

1. Increased Financial Burden on Women

In a country where female labour force participation is already low and women earn significantly less than men (the gender pay gap in India was 24.8% as of 2022)⁶, any additional cost burdens disproportionately impact women's financial independence.

2. Reinforcement of Gender Stereotypes

By marketing and pricing products differently for men and women, brands reinforce rigid gender norms. The assumption that women require different (and more expensive) products perpetuates societal views about gender roles and consumer behaviour.

³ Personal survey, Mumbai supermarkets, 2023.

⁴ Khanna, S. (2020). "GST and Feminine Hygiene: A Win or a Mere Optic?" *Economic & Political Weekly*, Vol.55.

⁵ Field data from salon pricing in Delhi NCR, 2023.

⁶ Monster Salary Index. (2022). *Gender Pay Gap in India Report*.

3. Access to Necessities

For women from lower socio-economic backgrounds, these pricing disparities can discourage the purchase of essential personal hygiene products, directly impacting health and well-being.

4. Intersectionality

The Pink Tax has a compounded impact on marginalized women — particularly those in rural India, Dalit women, or those from tribal communities — who already face systemic discrimination in education, employment, and access to services.

Legal and Policy Perspective

In India, consumer protection laws such as the Consumer Protection Act, 2019, do not explicitly prohibit gender-based pricing. However, the principle of non-discrimination enshrined under Article 15 of the Indian Constitution provides a foundational argument against such disparities⁷.

Internationally, some jurisdictions have taken more concrete steps. For instance, California banned gender-based pricing of services in 1995 under the Gender Tax Repeal Act. In India, however, the lack of a legislative or regulatory response means companies face no legal barrier in adopting differential pricing strategies.

There is a growing call among gender economists and rights activists for the Competition Commission of India (CCI) to investigate such practices under "unfair trade practices," and for the government to frame guidelines preventing exploitative pricing strategies targeting women⁸.

Consumer Awareness and the Role of Media

Awareness about the Pink Tax remains low in India. Social media, consumer forums, and independent activists have played a vital role in highlighting individual cases of gender-based pricing. For example, online comparisons between similar male and female deodorants or dry-

⁷ Constitution of India, Article 15 prohibits discrimination on grounds of religion, race, caste, sex or place of birth.

⁸ Sharma, N. (2022). "Gender Pricing and the Competition Law in India." *Indian Journal of Law & Policy*, Vol. 8.

cleaning charges for similar clothing items have gone viral, prompting temporary price corrections by brands⁹.

Educational campaigns, particularly among young consumers, are critical to creating demand-side pressure on brands and service providers to adopt more equitable pricing models.

Towards a Gender-Just Marketplace

To address the Pink Tax and ensure gender justice in the marketplace, a multi-pronged approach is necessary:

- **Legislative Intervention:** Introduce regulations that prohibit unjustified gender-based pricing in goods and services.
- **Transparency Norms:** Mandate clear disclosures of pricing rationale in case of gender-differentiated products.
- **Consumer Education:** Launch public campaigns to educate consumers on gendered pricing and encourage comparative shopping.
- **Encouraging Alternatives:** Promote women-owned businesses and startups that produce gender-neutral or gender-equitable products.

Conclusion

The Pink Tax represents a form of hidden, systemic discrimination that compounds existing gender-based economic inequalities. In India, where gender disparities are already entrenched in employment, education, healthcare access, and financial autonomy, this pricing discrimination further exacerbates the daily economic challenges faced by women. What makes the Pink Tax particularly insidious is its invisibility—it is not codified in law or taxation policy, yet it subtly influences the purchasing power of women, making them pay more simply for being women.

⁹ India Consumer Rights Forum, 2021. “Pink Tax: A Hidden Economic Trap,” retrieved from social media activism cases.

This issue is not just about pricing—it reflects deep-rooted social constructs and marketing strategies that reinforce gender roles and perpetuate economic disparities. The normalization of higher costs for women's products and services reflects a market that capitalizes on gendered consumption patterns without accountability or scrutiny. Over time, these seemingly minor differences translate into significant financial strain, particularly for low-income women and those from marginalized communities.

Combating the Pink Tax requires a multidimensional approach. First, there must be legal recognition of gender-based pricing as a form of discriminatory trade practice. Consumer protection and competition laws must be updated or interpreted in ways that allow redressal against unjustified price differentials. Second, regulatory bodies like the Competition Commission of India (CCI) and the Ministry of Consumer Affairs should investigate pricing practices and enforce transparency. Third, there is a dire need for public awareness campaigns and education at both consumer and corporate levels, aimed at challenging the normalization of gendered pricing and empowering consumers to demand fairness.

Importantly, this issue intersects with larger goals of gender justice and inclusive economic growth. A market that values equality, fairness, and accountability is essential for ensuring that women are not penalized for their identity in the very act of consumption. By acknowledging and dismantling the structures that enable such economic discrimination—through legal reform, social activism, and ethical business practices—India can take a decisive step toward a more equitable and gender-just economy.

Only by making the invisible visible can we hope to challenge systemic inequalities and create a marketplace where gender does not determine the price of participation.

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