

## The pink tax trap

Ayesha Tariq & Dr. Anjeela Khurram | 05<sup>th</sup> May 2025

Undeniably, a continuum of systemic disparities around the globe impacts people based on their gender. These systemic inequalities, from the glaring gender pay gap to pervasive workplace harassment, from gender-based violence to underrepresentation in politics, form just the tip of the iceberg.



## **WOMEN & THE MARKET**

Undeniably, a continuum of systemic disparities around the globe impacts people based on their gender. These systemic inequalities, from the glaring gender pay gap to pervasive workplace harassment, from gender-based violence to underrepresentation in politics, form just the tip of the iceberg.

Disparities in education, unequal access to healthcare, and discriminatory inheritance laws further compound the challenges. To compound this unfairness, society has devised a subtler scheme to erode women's financial autonomy: the pink tax.

Pink tax is an incremental increase in the costs of some goods (products and services), based on gender-targeted marketing. The World Economic Forum calls it gender-based price discrimination — a staggering attempt to chip away money, rupee by rupee, and to impose a financial burden on women because nothing sounds like 'gender equality' more than making money off of women.

Pink tax forces women to pay more than men for nearly identical products, like razors, shampoos, deodorants, body wash, hair care, etc - simply because they are marketed as 'for women'. While countries like the UK and Australia have taken stronger stances, with campaigns pressuring retailers to adopt gender-neutral pricing, the consequences of gendered pricing are far more devastating in countries like Pakistan, where the pink tax operates in the shadows.

This is why many women remain unaware of the economic disadvantage they are exposed to and the hidden costs that are silently extracted from their limited incomes. This exploitation, dressed up as commerce, stealthily siphons away their money because of financial ignorance and never knowing how they are being robbed.

While companies continue to defend such unfair pricing by claiming that women's products require premium packaging and quality ingredients, they are leveraging these gendered marketing strategies to capitalise on women's demands and make profits. Companies capitalise on the assumption that women prefer glamour over practicality and will

willingly pay a higher price for products that resonate with their femininity.

To add to the severity, men's essentials are manufactured locally, which is why they are cheap, whereas women's products are heavily taxed for being imported. Women lose a disproportionate chunk of their meagre earnings to this surcharge. And without recognition of such discriminatory pricing, they habitually absorb the financial toll of gendered products, further entrenching the cycle of economic disadvantage. Over a lifetime, women are found to have spent millions more on essentials than men. This is how systemic bias thrives — when minor inequalities go unchallenged, they set a precedent for accepting larger injustices.

Over a lifetime, women are found to have spent millions more on essentials than men. This is how systemic bias thrives – when minor inequalities go unchallenged, they set a precedent for accepting larger injustices

A study, 'From Cradle to Cane: The Cost of Being a Female Consumer,' was conducted to explore gender pricing in New York City. It examined the products for female consumers across many categories and the extent to which they faced higher prices. The study shows that in every industry, the gendered versions of personal care merchandise charge women a higher price for the same goods marketed to men. These gendered strategies to market products differently cost a premium to women and place a greater financial burden on them. There also exists a deliberate commodification of gender that shows that the price of womanhood is embedded in the cost of everyday products.

This pricing discrepancy is not limited to luxury items but extends to day-to-day essentials. A 2015 study by the New York City Department of Consumer Affairs learnt that, on average, women's products cost seven per cent more than men's. This disparity was repeatedly observed in

personal care items, where women paid 13 per cent more for lotions, 11 per cent more for body washes, and eight per cent more for deodorants. This relentless burden of additional costs echoes the unnecessary financial weight women endure simply for existing in a society that depends on their contributions yet systematically undervalues them.

Unlike many Western countries where movements like #AxThePinkTax have successfully pressured brands to adopt gender-neutral pricing practices, Pakistan has an unchecked culture of gendered pricing and little to no consumer rights advocacy and activism to challenge the pink tax. Simultaneously, any laws against discriminatory pricing based on gender are also non-existent, which clearly indicates that women's economic rights are not a priority in policymaking. With weak regulations, the pink tax shall remain an invisible tax for Pakistani women, unless it is combated with gender-neutral pricing laws enforced, unnecessary taxes removed, financial literacy programmes promoted, and companies held accountable for unfair pricing practices.

Identifying the pink tax is the first act of defiance. This cycle of economic exploitation needs to be broken by boycotting corporations that make profits off of us. This is about standing up against being reduced to a market demographic.

Ayesha Tariq is an MPhil student in Development Studies at the Pakistan Institute of Development Economics (PIDE). She can be reached at: ayeshatariq.ds24@pide.edu.pk

Dr Anjeela Khurram is alecturer at PIDE. She can be reached at: akhurram@pide.org.pk

## Website Link

## Newspaper Link