

Pink Tax: The Quantum Leap for Gender Equality

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Abstract: *The pink tax, a term coined by feminists, has recently gained prominence in the struggle for gender parity. Women are more likely than males to spend more for the same goods, especially if the product is aimed towards women. As a matter of fact, it's projected that gender - based pricing costs female customers in the United States \$1400 or more per year! (Forbes 2012). Pink taxes don't necessarily refer to things that are pink in colour; rather, the term "pink" is used to denote a higher price for products geared at women. The "BIC for Her" range of pens from BIC, for example, has "beautifully smooth" ballpoint pens in pink, purple, and pastel hues at a premium price. A Comfort Twin Sensitive shaver is also available for both men and women. The women's razors cost an average of \$2.50 more per pack than the men's similar razors. Gender discrimination may be seen in a wide range of socioeconomic manifestations, from the gender wage gap to laws governing inheritance and educational opportunities. Pricing items and services with a "pink tax" is a kind of gender discrimination that is less well recognised.*

Keywords: Pink Tax, Gender, Discrimination

1. Introduction

It is difficult to think of any area of public policy that is 'gender neutral' in our country because of the many gender - based challenges that women face [1]. Over the past decade, a lot of attention has been paid to the government's expenditure policies from a gender perspective in the context of gender responsive budgeting in India. However, there have only been a few attempts to examine revenue - generating policies from a gender perspective. To that end, this paper aims to examine the gender implications of policies aimed at increasing revenue generation in India. This has been a challenge because there is a lack of research on the impact of taxation on women's lives. Among the many ways in which the patriarchal structure of society creates an economic inequality between men and women is the "pink tax." Pricing discrimination based only on colour and packaging is known as colourism, and it is a kind of gender - based price discrimination when women are charged more than males for the same products and services. Toys for children and elder care equipment are also affected by this "tax" that produces a price differential between generic or male - oriented items and their female - targeted product counterparts.

Men's razors cost Rs.180, while the same pink (women's) razor costs Rs.250, according to a survey. That's a stunning difference of Rs.70 only for the colour of the product. It's also worth noting that women pay up to 92 percent more for dry - cleaning services compared to males for the same basic tee shirts. Overall, there is a 7 percent discrepancy in pricing across all items, and women pay more for 30 of the 35 categories of products evaluated by the New York City Department of Consumer Affairs, according to the report. A woman pays an average of \$2, 135 per year in the form of the "pink tax." This "gender tax" is estimated to cost a woman \$47, 000 by the age of 35, according to the official website of AxThePinkTax. Additionally, there is a compensation disparity between males and women [2]. As of 2018, the wage gap is as big as 19 percent in India and like the pink tax, it continues to exist even in wealthy nations such as USA. As a result of their gender, women

face a double disadvantage: lower income and higher spending.

Gender - based pricing discrimination is a kind of economic discrimination in which different prices are charged to men and women for the same (or nearly equivalent) products and services. It is well - known that women are subjected to a "Pink Tax," which is a surcharge on products and services that are otherwise identical, but which are targeted specifically at women and therefore have unique features that justify the surcharge when compared to similar products and services marketed to men. Price discrimination based on gender may take two forms. Marketing items to women at greater prices than to males is a result of profit - maximizing methods (whether deliberate or inadvertent) performed by manufacturers in response to consumer psychology, shopping habits, preferences, and market trends. The "Pink Tax" is not a literal tax in this context. Due to the uniformity between the two categories of items, women are ignorant of the presence of the "Pink Tax" in economic marketplaces, which encourages this behaviour. It is also important to note the extra value - added tax (VAT) or sales tax that is applied to the price of products and services that are especially employed by women. The government imposes a tax on tampons and other feminine hygiene items (used for health and biological reasons) that is widely referred to as the "Tampon Tax." When pink became an ubiquitous emblem of femininity after World War II, the "Pink Tax" was born. Propaganda campaigns to return women to their pre - war roles in the home, as well as cloth manufacturers' efforts to increase the profitability and predictability of consumer trends and prevent children's clothes from being passed down, are among the factors that have contributed to its development into a "gendered colour." [3] Various cultural influences, including the trademarked "Barbie Pink" and the rise of pink taxis and pink parking spaces, contributed to the widespread acceptance of the pink - feminism association, which gave rise to the blatantly misogynistic marketing maxim: "Shrink it, pink it, and women will pay a higher price." Georgette Sand - a French women's rights organisation - first used the phrase "Pink Tax" on October 14, 2014, when it published an online petition titled

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"Monoprix: Stop aux Produits more Chers Pour Les Femme!
#Wamantax".

Due to social media platforms' rapid popularisation of "Woman Tax," the English version "Taxe Rose" was adopted. UN resolution "2030 Agenda" establishes gender equality and women's empowerment as the 5th Sustainable Development Goal. Regardless of whether the "Pink Tax" is deliberate or not, the price disparity it represents exacerbates the financial burden suffered by women, illustrating societal discrepancies and gender stereotypes. Having equal rights for women and men is essential for a sustainable future. This global goal requires the eradication of unjust pricing methods by numerous firms, but the great majority of the general populace does not realise this.

MEANING OF 'PINK TAX'

The term "pink tax" refers to the additional cost that women's items frequently carry. According to Judit Arenas, APCO Worldwide's senior director and head of the firm's gender practise, the "pink tax" has been around for decades. As a result of this "gender - based pricing," which places a premium on traditionally female - targeted goods while keeping the price of male - targeted goods the same,

Pink is the colour manufacturers use for items marketed towards women, such as razors and soap, which in principle don't need to be gendered in order to be effective. In addition, several companies produce smaller versions of their products in order to appeal to women.

"There are so many options with this 'pink it or shrink it' concept," said Tonya Williams Bradford, an associate professor of marketing at the Paul Merage School of Business of the University of California, Irvine. "These things are more compact, but they also cost more." [4]

In many cases, girls' toys and apparel are found to be more costly than those for boys until they reach maturity, when women's personal - care products and services are more expensive.

EXAMPLE

Buying anything normally marketed to women, such as feminine care products, apparel, or services, may result in a higher price. As Arenas said, the pink tax is crucial to female customers because it affects the whole chain. In terms of cost, we're referring to things like haircuts, dry cleaning, and other services that are much more expensive for women.

The New York City Department of Consumer Affairs 2015 study, "From Cradle to Cane: The Cost of Being a Female Consumer," shows that many personal - care products aimed for women come with a premium slapped on, according to the data. Some items may still be more expensive for women, despite the fact that many customers and corporations have become aware of the problem since then, sparking social media campaigns like #AxThePinkTax [5].

Given the rise in inflation, that amount is expected to rise this year. You may see some of this variance by looking at

deodorant at Target. There is a difference in price between women's and men's deodorant. As you can see, these prices may vary greatly depending on where you reside, as well as the store, brand, and the state in which you live.

Deodorant is more costly for women, but razors are not, according to a paper from 2021 titled "Investigating the Pink Tax: Evidence Against a Systematic Price Premium for Women in CPG". The study raises the issue of whether or not the pink tax is still in effect.

Reason for existence of 'Pink Tax'

The elimination of the sexist and inconsiderate tampon tax in the United States and the United Kingdom among numerous other nations a few years ago has made me ponder why no one bats an eyelash when paying the pink tax. This problem is especially acute in underdeveloped nations like India because of other important challenges that women confront on a daily basis including safety in public settings, according to the expert.

To be sure, this is a gospel truth, but there's also a reason for such a patriarchal practise to exist: it feeds off of women's anxieties and the fact that our culture values beauty above all else. According to Pritika Singh, the creator of Mohh, women are disproportionately affected by the gender tax, which is levied on items that are often purchased by women. "The whole marketing gambit for a lot of organisations has been to make women feel inferior and emphasise normal, natural things as anxieties," she said. The irony is that these firms are run by males who have played a major part in promoting the image of "an ideal woman" in terms of both beauty and position, and that is the real problem. Institutional patriarchy enters the picture here [6].

The creator and CEO of Whoppl, Ramya Ramachandran, cited the fact that women are frequently incorrectly referred to be "high - maintenance" and "very fussy" when it comes to making purchases. Because of their "sensitive" skin, they are led to feel that the items targeted at them are beautiful and of the highest quality. As a result, these pricing disparities are seen by women as being justifiable. As though the mere concept of questioning it doesn't even occur," she continued. On top of all of that, shops have been found guilty of purposely segregating comparable items with price variations so that customers cannot compare the costs. This confirms the idea that we have been deliberately hidden from view in order to reduce their profits.

1) Differences in production

The price of a product for women will be higher if the inputs utilised to make it are more expensive. This also applies to the provision of professional services. A woman's hairstyle requires more talent and time than a man's, hence it is more expensive. There is a (Horowitz, 2015) Women's and menswear may also vary in manufacturing costs because of their different construction, cut, and design. Because women's apparel tends to be created with a more costly combination of materials and because many men's shirts simply have one fabric, this difference in textiles might be the main source of price discrepancies [7]. The way an item is cut, which is more common in men's garments than

women's, may also result in greater fabric waste, which is more expensive.

2) Price Elasticity of Demand

It is against the law to charge different prices for the same product or service, which is what is meant by price discrimination. Ticket prices at children's museums and amusement parks may be lower than those for adults. Children under a specific age may be able to attend for free in certain instances. Price discrimination is used by businesses to boost profits. Customers' age, geography, desire, and pay may all play a role in price discrimination. (Boundless Economics, n. d., Price Discrimination) There is no such thing as a "pink tax" when firms believe that women would be prepared to pay more for a product or service. Females are regarded to be less price - conscious than men.

3) The Pursuit of Financial Gain

Businesses have been under increasing pressure in recent years to demonstrate a commitment to social responsibility in all aspects of their operations, including manufacturing, recruiting, marketing, and advertising. As a result, businesses are taking steps to be more environmentally friendly, more attentive to the needs of their workers, and more outspoken in their support of social causes. However, many companies' entire focus is still on increasing profits. According to Jennifer Weiss - Wolf, vice president at the Brennan School of Justice at New York University School of Law, "If you can make money off of it, you should," the pink tax exists. It's time to wake up [8].

4) Tariffs Based on Gender

In order to determine the ultimate selling price of a product in the local market, the cost of importing the raw material or input is also taken into consideration. In certain circumstances, women's clothing imports are more expensive than men's apparel imports. There is a 15.1 percent difference in taxes on imports of women's clothes in the United States compared to 11.9 percent in the United States for men's clothing; (Joint Economic Committee: U. S. Congress, 2016).86 percent of the clothes imported into the United States in 2014 was gender - classified, according to the US International Trade Commission [9]. The price difference between imported goods and domestically produced goods will also be reflected in the final cost of the items.

Measurement of the Distribution of Pink Taxes across Sectors

As a result of gender indoctrination, the Pink Tax was born. Various businesses, including personal care items, apparel, toys, and accessories, as well as service industries like insurance and hairdressing and dry cleaning, use gender - based pricing discrimination.

1) Consumer Goods

7 percent more expensive on average, according to a 2015 report by the New York City Department of Consumer Affairs, From Cradle to Cane: The Cost of Being a Female Consumer, than items marketed to men and boys. More than 90 companies and almost 800 goods were examined by the New York City Department of Consumers Affairs (hereinafter referred to as DCA) during the authoring of its

research. Product selection by the DCA was based on how similar they were to one other in terms of their brand identity, ingredients, look, textile, construction, and/or marketing (New York City Department of Consumer Affairs, 2015).

2) Personal Care Goods

Personal care goods such as body wash, hair products, deodorants, face care, and personal grooming products are usually connected with the pink tax. A business named Ace Hardware had personal care packages made by Boss, with the same ingredients but different colours in the packaging, but the prices for women and men were different. Women's earplugs from Walgreens cost \$5.29, [10] but a typical blue pack of earplugs costs \$4.59. In terms of noise suppression, they are both rated at 32. Two more pairs are included in the standard edition. However, the cost is lesser. Personal care items are rife with instances of the pink tax. Pink tax is often imposed on consumers via the alteration of packaging. Pink, purple, and other similar hues are often used, as are packaging modifications to alter the product's form and size.

Personal care items aren't entirely gender - specific. Gender - specific goods, in terms of functionality, are limited to personal hygiene items. There is a wide range of products in the personal care category that are gender - specific, from shampoo and conditioner all the way to lip balms and moisturising products. When developing such goods, it is not necessary to include any additional elements to make them more appropriate for a given gender. The Boss personal care kit and Walgreens earplugs have the same contents in both containers. When it comes to marketing, there is a big difference. From the pink tax, more money may be made. Not because they are trying to meet the requirements of their clients but because of the capitalist objective of profit maximisation.

3) Clothing

According to the DCA, the normal person's wardrobe should include a mix of leisure and business attire, as well as basic necessities like socks and underwear. Dress pants, dress shirts, jeans casual shirts, sweaters, socks, and undergarments were all evaluated. In an attempt to remove any potential quality and pricing discrepancies, the DCA made an effort to locate virtually comparable clothing products. Average prices for each clothing item were determined by averaging their highest and lowest prices. Department of Consumer Affairs, City of New York, New York (2015) A Yale Law School professor, Ian Ayres, analysed the pricing gap between the firms whose goods were examined in the DCA study. Club Monaco's clothes, as seen in the table below, has the greatest pricing gap, with males paying an average of 28.9% more than women. Costco's products, on the other hand, showed no pricing discrepancy [11]. However, it's important to keep in mind that the research only looked at two different things. Accordingly, it is not feasible to draw any conclusions regarding Costco's pricing from this short sample size, even if the price discrepancy is nil. Companies like Old Navy, Aeropostale, and Uniqlo showed a negative pricing discrepancy in the categories of adult clothes, meaning that men were paid more for the things they purchased.

4) Children's Pink Taxes

Children are subjected to gender biases and prejudice from an early age. Toys like dolls and tea sets are often associated with girls, while automobiles and superhero figurines are typically associated with boys. A child's impression of their gender and identity is shaped by this. For children's goods, there is no exemption from the pink tax. It's fairly uncommon to see pricing discrepancies across comparable things, from stationery and toys to apparel and accessories.

The pink bike helmet in the top picture costs \$25.49, while the blue one costs \$5 less. As far as practicality is concerned, there is no difference between a girl's and a boy - specific bike helmet. The pink helmet tax, however, generated more money for the corporation owing to gendered marketing of items [12].

Providers of Services

This year, New York University's Rudin Centre for Transportation released a study titled "The Pink Tax on Transportation. " A total of 547 people participated in a survey with 33 questions. Women were more worried than men about being harassed on public transit, with 54% of female respondents expressing this issue, compared to just 12% of male respondents. People who often utilise public transit are more likely to have been harassed or robbed, according to the study. It was determined that the typical additional monthly cost for males owing to safety issues was zero dollars per month, whereas the median additional monthly cost for women was between \$26 and \$50 dollars. Because women prefer taxis and for - hire automobiles over public transit, they are less likely to utilise it. (NYU Rudin Centre for Transportation and a slew of other organisations, including the New York City Department of Transportation, 2018) An experiment was carried out by CBS News in January 2016 in response to a complaint from the New York City Department of Consumer Affairs [13]. "Nearly identical, 100% cotton button - down shirts in similar sizes" were brought to separate dry cleaners in the city by a male and female producer of CBS News. Nearly two times as much was charged to the female producer in more than half of the enterprises than to the male producer. Undercover reporting by CBS News reveals that women pay more than men for the same services. It is possible to draw the conclusion that the pink tax also applies to services, based on the examples shown in the previous paragraphs. However, this does not indicate that all dry cleaners charge a "pink tax" or that women over the globe are forced to pay more for transportation because of their gender. It is thus impossible to generalise about the locations or industries where pink tax is prevalent. One of the most difficult problems in the fight against the pink tax is this [14]. When it comes to the pink tax, vendors don't all use the same pricing technique. For example, seasonal conditions may cause local retailers to change their rates often. Only a small percentage of a company's goods are likely to be subject to the pink tax. Because of these factors, it is difficult to distinguish items and services that display price discrimination from a wider pool of products and services that do not.

Variables and Model Building

In spite of the prevalence of articles on women - targeted pricing strategies, it's possible that not all women are aware of this practise. Females are more likely to get acquainted with feminised items if they regularly compare unit pricing and buy them often, according to our hypothesis. Package sizes and brands are compared as part of comparative shopping. For example, comparison shopping is a popular pastime for many customers since it provides them with extra value and a wealth of information. Consequently, customers who often compare prices are more likely to continue their search and become well - informed as a result. Contrast shoppers are unusual because they have a better understanding of historical prices, which aids in their product search. As a result, comparison shoppers are more likely to have seen signs of a pink tax. They will be exposed to and aware of a premium on these pink items, which are sought after by these female customers. As a result, the more often a customer compares prices, the more familiar a pink tax will become. Furthermore, the more common a pink tax becomes, the more familiar it will be to consumers. When it comes to paying extra for a brand or product, a buyer is prepared to pay a premium in order to get it. Some women may be ready to pay extra for gendered items because of signalling theory [15]. In the notion of signalling, one group transmits a message, while the receiving group interprets the message based on their own perceptions (Connelly et al.2011). Consumer status - signalling may be explained by signalling theory (e. g., wealth, influence, intelligence). Prius owners, for example, were discovered to have acquired their vehicle not to be an environmentalist for humanitarian motives, but rather to convey a statement about themselves regarding Prius ownership in general (Griskevicius 2010). Another possibility is that pink and other associations with femininity not only signify the usage of a product by women, but also boost a woman's beauty or her status as a woman in the eyes of others [16].

According to Duesterhaus, even when buying everyday commodities like razors and deodorant, women chose objects that represent their ideal identities. You may easily raise your standing as a woman by purchasing feminine goods. There should thus be a link between the self - perceived femininity of a woman and her desire to use "for her" things to communicate that femininity. Since we believe that (1) the stronger a woman's perception of femininity, the larger the usage of signalling; and (2) the greater a woman's desire to signal femininity, the greater the willingness she has to pay a pink premium. Consumers' subjective perceptions of whether a price is "wrong, unjust, or illegitimate" are referred to as "perceived price unfairness, " which is more specific than "fairness. " In comparison to other aspects of a transaction, research reveals that variety in product (i. e., comparable product attributes but varying prices) has the greatest impact on consumers' sense of fairness (Xia and Monroe 2005). Because of their past experience with the pink tax, customers are more likely to make implicit comparisons and pay a higher price. Pink tax pricing policies are more likely to be seen as unfair by women who have past experience with the pink tax and by customers who are more inclined to shop about. Pink tax price might be seen as unfair by women if they are more likely to compare shop and if the tax is more recognisable to

them. When the discrepancy is against the consumer's best interests, the perceived price injustice is more severe. A hotel room in a college town during football season may cost more than usual, but research shows that customers are still prepared to pay a premium in these situations (Urbany et al.1989). As with feminised items, women may be ready to make financial sacrifices in order to display their femininity via these things.

Pink tax pricing is seen as unjust if consumers are willing and uncomfortably willing to pay higher prices for things that are feminised, a price that must be paid willingly but uncomfortably [17]. Price fairness is a cognitive process since it relies on comparisons to make judgements, but it also elicits an emotional reaction that is specific to those who believe the price is unjust (Xia et al.2004). We define emotional reaction as a negative emotional response to pink tax pricing policies in our research. Higher degrees of price injustice may lead to negative affective feelings (Campbell 2007) of price assessments, and may sometimes lead to strong negative emotions such as indignation and outrage (Campbell 2007). (Finkel 2001). Those who believe that pink tax pricing is unjust will have a higher negative emotional reaction. It is possible for people to modify their conduct when they experience negative emotional reactions to stimuli [18]. Xia and Monroe (2005) discovered unpleasant emotions as a mediator between unfair pricing perceptions and behavioural consequences in their study of price injustice. A customer's quest to understand why a higher price was chosen is part of the process of developing fairness views. Consumers will look for an explanation if they are confused as to why a price is greater. As a result, the larger the unpleasant emotional reaction, the greater the want to learn more about the pink tax and the greater the desire to shop around.

Case Study - Gillette

Why Gillette?

This American brand of razors and other personal care goods has been around since 1901, when it was founded by King C. Gillette. Since a merger in 2005, it has been controlled by Procter & Gamble, a multinational firm based in Boston, Massachusetts. As a result of a multitude of issues, including greater competition, public image crises, and the rising popularity of growing beards, Gillette's brand value has fallen from \$16 billion in 1999 to \$8 billion in 2019. In spite of this, the company is still regarded to be a prominent player in the personal care industry, with 52, 8 percent of the market share for men shaving products in the United States. After releasing an advertisement in January 2019 aimed at combatting "toxic masculinity," Gillette's case is additionally significant because of the public attention (and fury) it has generated since its publication. Aside from being lauded as "pro - humanity" by Berenice King, the daughter of civil rights leader Martin Luther King Jr., the advertisement, which has accumulated over 34 million views as of May 2020, led some to point out the hypocrisy of P&G's personal care line of products for women (via its Venus branch), with such products costing on average on ave. The New York City Department of Consumer Affairs reported in a 2015 analysis that "women's items cost 7 percent more than identical products for males"

on average, with the rise applied to a broad variety of products, including personal care products (for which the price increase has been estimated at 13 percent). As an aside, the French Autorité de la Concurrence (Authority for Competition) penalised a number of companies, including Gillette and Procter & Gamble, for price - fixing on a variety of domestic items, including personal care products, only years earlier [19]. Between 2003 and 2006, "executives from the firms met routinely and discreetly to coordinate their commercial operations and discuss their pricing plans," according to the report.

For the reasons outlined above, the case of Gillette is particularly relevant on the matter of the pink tax and its associated feminine hygiene products, as it involves a consumer base that is becoming more and more vocal and powerful, in part through the use of social media; on the other hand, the manufacturer itself holds the majority of decision - making power in terms of brand and product design, marketing, and distribution.

What can be done to avoid Pink Tax?

There are a few strategies to avoid the tax trap that may save you thousands of dollars in the long run, even if it seems impossible. "Step one would be to become aware of the problem. Additionally, if a product is priced higher for women, it may be a good idea to look for gender - neutral or unisex alternatives instead. If everyone made wise purchases instead of impulsive ones, there would be no opportunity for marketers to abuse people "said Kanoria, expounding on her point.

Sarika Varshnei, Latamarcem Brewery's Chief Growth Officer, made the comment while discussing the need of educating the public "In order to go forward, we must not demand further laws, but rather enhance the intensity of these discussions and debates. The campaign to 'metaphorically' abolish the Pink Tax will be constructed brick by brick, internationally, via numerous interventions at various levels, much as the climate change movement that was originally deemed a diversion for the bored. Change will begin to take hold in certain areas first, and then extend to other parts of the country. " The true challenge here is to educate women about the inequities they face in the marketplace. Once a majority of people express their discontent with this pricing system, it will force firms to reassess their position on equality and cut it significantly.

Because of the recent celebration of International Women's Day, it is critical that companies and marketers address the real - world issues that women confront rather than just offering gimmicky discounts and deals once a year to appease their concerns. There are no unseen costs that might make women the "weaker sex" even if they have shown their worth several times by breaking glass barriers.

Women Earning less and Paying more

Pink tax is an example of how the industrial sector has successfully capitalised on people's fears and the ambiguities in the human form to create a false concept of beauty. Because a normal razor that gives men the results they want won't be able to provide ladies the same results. As long as the identical razor is in a pink packaging with a floral pattern

and costs an additional Rs 200, it will do wonders for the female counterpart [20].

Adding fuel to the flames is the fact that the gender wage disparity keeps becoming bigger and worse. As a result, we are effectively underpaying our female employees while simultaneously increasing the cost of the things they consume. Women in India earn 19 percent less than males because of a variety of socioeconomic and structural factors. Even in fields as diverse as information technology (IT) and agriculture, there remains a persistent disparity between the two (where, ironically 80 per cent of the work is undertaken by women). Imagine being trapped between a raging fire and a ferocious, barbarous dog, both of which move at a dizzying rate. In today's workplace, being a woman is like that.

The best way to deal with this problem is by taking a look at the current scenario. The need of raising public awareness and educating one another about the pink tax cannot be overstated. Social media may also help us achieve our goal by revealing the ways in which users of these items are being taken advantage of. A post on Instagram first piqued my interest in the topic.

In addition, there is a lack of women in leadership roles in our nation, which is a serious problem. We urgently need the training and recruitment of women to serve as future ambassadors of our nation. In addition, addressing workplace inequalities and enacting legislation on the subject would be of great importance. [21]

All of us need to work together to create a vibrant society where each colour has a lovely place in the world. Rather than a raspberry dolly, let's enjoy pink the way it was meant to be.

How Gender Based pricing Impacts Buying Power of Women

A lot has been said about women's wages, especially the fact that they're often lower than men's in the workplace. There were just 80 percent as many women earning the same amount of money as their male counterparts in full - time, year - round employment in 2015. The "gender wage gap" refers to this 20 - percent discrepancy. For a typical female worker, the wage disparity amounts to almost \$10, 500 in a year and around \$500, 000 throughout the length of their working lives. Women are more likely to live in poverty as a result of this. If women were paid the same as equivalent men, the poverty rate among working women would be halved. It's less well - known, however, that women suffer from a lack of bargaining power when shopping for equivalent products and services, often spending far more than males. Women's goods and services, such as razors, soaps, and dry cleaning, are generally more expensive than their male counterparts. Despite claims by manufacturers and merchants that the price disparity is due to the greater expenses of making women's items or delivering services to women, there is enough evidence to suggest that almost similar products are sold at significantly different prices. Color may be the sole distinguishing factor in certain circumstances. The "pink tax" refers to the name given to this markup. Despite the obstacles, women's earning potential is higher than it's been in a decade. It has been more than half a century since the Equal Pay Act and the

Civil Rights Act were signed into law. Fewer than half of women of prime working age (between the ages of 25 and 54) were employed at the time, with just one in every three occupations being held by a female. For prime - age female workers today, about three quarters of all working women are in the workforce; they also occupy approximately half of all employment.⁴ Increases in the number of women in the workforce and in their educational attainment have resulted in a remarkable rise in women's aggregate incomes. Between 1967 and 2015, the number of women earning a living increased from 34 million to 77 million, according to figures. When inflation is taken into account, their average wages went up from \$17, 250 in 2015 to \$39, 400 in 2016. As a consequence, women's total incomes increased from \$593 billion in 1967 to more than \$3 trillion in 2015.

Families have become more reliant on the earnings of women as a result of this rise in family costs and the resulting rise in women's earning capacity. Women make up roughly 40% of the household income in the normal (median) family with a mother who works outside the home.⁶ Nearly 40% of married women are the principal breadwinners in their households.⁷ One - third of households with a mother who works outside the home (34 percent) rely exclusively on her earnings [22]. In many homes, women are increasingly in charge of making financial choices. They account for 85 percent of all consumer purchases in the United States, according to marketing studies. It's even more of a percentage of their purchases. Three out of four women claim to be the major shopper in their household.

Price Discrimination Against Women Extends Beyond the Pink Tax

The pink tax is only one example of gender - based pricing that harms women. Pregnancy - related expenses have typically resulted in higher rates for women's health insurance. The discrepancy in health insurance prices between men and women was particularly addressed by the Affordable Care Act. Women in their mid - twenties used to pay 1.5 times as much for health insurance than males of the same age did before the legislation was passed. When shopping for a new automobile, women were found to be quoted greater pricing than males. Recent research, on the other hand, imply that this phenomenon may be waning in prevalence. Feminine hygiene products have been free from sales tax in many towns and states, but most women are still charged on purchases of these goods, which are essential for women and have no male counterpart. The majority of states already levy a state sales tax on the purchase of feminine hygiene items by women. Women's personal hygiene goods are exempt from sales tax in just seven states: Connecticut, Illinois, Maryland, Massachusetts, Minnesota, and New Jersey, New York, and Pennsylvania. Women with low salaries bear the brunt of the tax, since it consumes a bigger percentage of their wages.

Women paying more for High End Products

Discrimination against women in the financial sector has been a problem for a long time. Many women had difficulty obtaining credit in their own name prior to the 1974 enactment of the Equal Credit Opportunity Act. It was common for women who were unmarried, divorced, or

widowed to need a male relative to sign for them on a loan. However, despite progress, women's access to finance is far from free. Women are more likely than males to be refused credit or to face greater borrowing fees, according to research. In 2005, right before the housing market collapsed, women were 32% more likely than males to acquire a subprime mortgage, according to Consumer Federation of America research [23]. Regardless of one's salary or the purpose of the loan, this difference persisted (home purchase, refinance or home improvement). When it comes to negotiating and shopping around for the best deal, women are less inclined than males to do so. The higher interest rates charged to female borrowers may not always be justified by the greater default rates that they face. Single women are less likely to default on their mortgages than single males, despite having to pay higher interest rates and spending more of their income on housing as a consequence. Single women and females with male co - borrowers were more likely to be rejected loans than other borrowers, despite this. Because of their lower earnings and credit ratings, these women were seen as more of a credit risk. The higher interest rates on mortgages meant that the payments made by women took up a bigger portion of their wages. The expanding disparity between men's and women's unemployment rates during recessions shows that women's employment has been more steady than men's since the mid - 1980s.

Legislative Measures to Abolish the Pink Tax are being Taken

Discriminatory pricing based on gender is now allowed under federal law. Many states and localities have made initiatives to eradicate the pink tax on services such as dry cleaning and haircuts. In 1995, the state of California established a legislation outlawing service price discrimination on the basis of gender. In 1998, New York City enacted an ordinance that was quite similar. For cosmetology services in Massachusetts, gender - based pricing is prohibited under the Massachusetts Public Accommodations Act. The costs of women's personal care and hygiene items have also been reduced by one online shop in an effort to bring them on par with those of males. It was said that the corporation will "do our share. . . to promote awareness and eradicate the pink tax where we can" as part of the release. The Pink Tax Repeal Act, presented in the 114th Congress and patterned after California's legislation, was sponsored by lawmakers headed by Rep. Jackie Speier (D - CA) at the federal level. Among other things, the law would make it illegal to charge men and women different rates for goods and services that are otherwise identical.

Justifications by Manufactures and Marketers

Product distinctiveness and packaging expenses are often cited as the main reasons for the rise in pricing of women - targeted items. Products may be further differentiated from one another by adjusting their packaging, colour schemes, and even the way they emphasise their unique selling points (USPs). This might lead to an increase in manufacturing costs because of the absence of economies of scale in such items. This might lead to an increase in the price of each pink helmet since a manufacturer is more likely to build generic blue and black bike helmets than pink ones. Since

manufacturers often claim these grounds for price discrimination, even though California established the Gender Tax Repeal Statute in 1995 to ban companies from varying pricing of equivalent services against a person based on their gender, consumers cannot effectively utilise the act. Even in California, a law prohibiting this kind of discrimination on products was dropped in 2016 owing to lobbying by industry and pressure from corporations, limiting enforcement of the justifications. [24]

Some marketers take advantage of women's perceived willingness to spend more on personal appearance and grooming even if the quality of the products supplied to both sexes is the same. This story of social worth built on women is reinforced by many firms that extort large amounts from women for the most basic things because of the presence of their brand name on the product. Feminists argue that women's fears as a consequence of the judgments they encounter on their appearances and lifestyles support gendered pricing, which enables firms to rake in significant amounts of money from women who aspire to achieve social norms utilising the goods of these companies [25]. Many marketers believe that since women are more ready to pay a higher price for a product or service, they are more susceptible to price discrimination. Companies claim that this is no different from varying the pricing of fares based on when a customer books them. However, this kind of prejudice is neither directed towards a specific group of people nor does it play a role in the systemic oppression that they face as a whole. It doesn't matter what the arguments are, the fundamental ramification of this gendered pricing is that it costs a woman more than previously to match the demands of her gender compared to those of a man.

Pink Tax Awareness in India

Furthermore, there is a lack of public awareness of this pricing gap in both wealthy and poor nations. As many as 67% of Indian individuals have never heard of the pink tax, according to a recent poll. The agitation against the 12 - 14 percent GST charged on banned sanitary napkins and other women's hygiene items in India was the first time this gendered pricing was brought to the public's attention in India. Contraceptives are exempt from taxes since they are deemed necessary items, while sanitary products for women were subject to a "tampon tax" because they were considered a luxury rather than a need. [26] The hashtag #LahuKaLagaan, which translates to "tax on blood, " triggered huge demonstrations on social media, particularly Twitter, under the campaign name. The government finally repealed the "tampon tax" in 2018 after receiving over 4, 00, 000 signatures on online petitions, which included those from activists, celebrities, politicians, and comedians. [27] Pink tax, despite the "tampon tax" movement in India, is a largely unchallenged standard in the economy and in society as a whole. As a result of these and other social media campaigns, it has received some notice, but the number of people who know about it is still rather small.

2. The Way Forward

Gender and taxation have so far been examined through a First World lens, particularly in the collection of personal income tax or indirect taxation such as the new consumption

tax, VAT, which has a clear gender bias. On the other hand, these are not the main issues that taxation has on gender in developing countries. Only a small number of women in low - income countries pay personal income taxes because they are unlikely to be employed in the formal sector and earn incomes above the minimum threshold for personal income taxation. Gender effects of tax are disputed and heavily dependent on the actual GST policies in place, and the evidence is limited. It's also worth noting that in many developing countries, basic goods and services are either zero - or low - rated for GST purposes, which suggests that concerns about major adverse effects on women are misplaced. Gender inequality has long been the focus of researchers and activists, but this does not mean it is the only issue that needs further investigation. In developing countries, women have a unique role in the household and the economy, and it is likely that existing tax systems are skewed against them.

The following areas require additional investigation.

- First and foremost are the consequences of the informalization of work, the burden of unpaid care, and the prevalence of women in particular sectors of the informal economy. Taxes on women's - dominated industries may be targeted by local governments, which are under pressure to raise their own revenue (e. g. markets). Local taxes, informal taxes, and user fees have a significant impact on the lives of poor women.
- The second and related issue is the impact of the tax administration's gender composition. Is a greater number of women in tax administration likely to benefit women taxpayers, or will it have the opposite effect?
- A key research question is whether governments respond to advocacy by international activist groups, and if so, under what conditions does advocacy work on both sides—increasing revenue as well as increasing social welfare spending.
- Fourth, we need more evidence on the scale and nature of such informal payments because informal taxation is a significant issue that may differentially affect women.
- As a result, women are more likely than men to perceive tax rates and administration as a greater burden and to be less confident in dealing with tax officials. They are unable to understand, engage, and benefit from revenue systems as a result of low economic literacy in the informal economy. Women and tax systems can better negotiate if there is more research on women's tax awareness and capacity to engage with tax officials.

To put it simply, the research agenda on gender and taxation is severely constrained by the lack of data on employment, firm, asset, and land ownership and income data that is gender - disaggregated across all of these important spheres. If we don't work together to collect and make available data broken down by gender, we'll never be able to fully understand these issues. In addition to these important research themes, there is a further question. So, if we're looking at the effects of taxation on women, should we limit our inquiry to the negative effects only? What if the tax system could be used to promote gender equality by advancing the status of women? Property taxes are a good example of this. By lowering the tax burden on property officially registered as belonging to women, it's possible

that positive discrimination on their behalf could give women more real property rights. Preferential tax treatment for small businesses owned by women that have just been registered with the tax authority is another possibility. Gender equity in tax administrations and tax policymaking should be considered more broadly by governments in order to increase the voice of women in taxation systems. Insights into how taxes affect gender and how they can be used to achieve substantive equality for women can be gained by focusing on these potentially more fruitful avenues. Tax policies have a vital position on the economy because they're an important source of income and a catalyst for growth. A strong tax system can keep up with today's economic conditions, and it should do so while still increasing tax collections to pay for the government's inflow of public benefits and construction spending.

Further, educating the public about the pink tax is of critical importance in the fight against it. The first step in questioning and taking action against the pink tax is to become aware of the very flawed myths that drive and excuse it. Hence, it is imperative that more people talk about and express their views on this topic to their peers and on social media. If a company charges a pink tax, one may boycott their goods by either switching to their generic or male - oriented items, or by moving to a brand that does not charge the tax at all.

Equally crucial are the efforts of corporations that are deliberately breaking this standard in their attempts to get customer attention. This growing knowledge and shift in customer preferences will undoubtedly have an impact on companies' marketing plans and pricing policies. Fast food chains such as Burger King and Wendy's have already spoken out against the proposed pink tax. "The Pink Tax Rebate" is a rebate offered by subscription razor business Billie in its campaign against the gender tax. For firms, this is the path forward: to actively participate in the battle against patriarchy and profit by being pioneers of change rather than staying exploiters. [28]

For the cultural norms to alter, we must shatter the poisonous assumptions that women are inherently naive, sensitive, and obedient to all the irrational conventions of society. [29] And we have a responsibility to take part in this battle against injustice and to inspire others to do the same. I dream of the day when bargain - hunting female customers won't have to deal with the men's department's year - round discounts.

Product categories including personal care and apparel, as well as services like beauty and dry cleaning, are all affected by the Pink Tax phenomenon. Toys, stationery, apparel, and accessories for children are no exception. Promotion of goods and services based on gender stereotypes perpetuates the pink tax, notably via packaging changes. Gender is sometimes used to classify similar items that don't need to be differentiated in any way to suit a certain gender in order to earn more profits for the seller by charging a higher price for the more expensive product. Recently, companies have made initiatives to eradicate and educate their consumers about the discriminatory nature of the pink fee. In order to raise public knowledge of the pink tax, it is imperative that

samples of pink tax - charged items and services be made available. It's easier for people to seek justice and support the pink tax revolution if they know that they were victims of gender - based pricing discrimination themselves. The tampon tax, which is levied on period items, is often brought up when talking about the pink tax. Because the latter is an actual tax recognised by law, it stands out as an alternative. Because of this, the government is able to make changes to tampon tax policy more easily. Feminine hygiene products are now tax - free in several nations, including India, Australia, and Kenya. There are no laws or recommendations from governments regulating the pink tax, save in certain regions of the United States. Companies must make their pricing practises more transparent and accept responsibility for their actions. Steps toward gender equality may be taken by abolishing the pink tax, which is currently in place.

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