

# The “Pink Tax” and Gender Price Disparity in Personal Care

Subjects: **Business**

Contributor: Grace Wishart , Mark Ching-Pong Poo , Katherine Baxter , Yui-yip Lau

The “Pink Tax” refers to charging higher prices for products and services marketed primarily to women compared to similar or identical items targeted at men, despite comparable production costs. This research uses Unilever as a case study to focus on the impact of the Pink Tax on women’s purchasing power, particularly within the personal care industry. The study provides a comprehensive overview of the Pink Tax’s evolution, key research findings, public responses, and regulatory measures to address this issue. By synthesising existing research and case studies, this paper highlights the economic burden imposed on women and the reinforcement of gender stereotypes through market practices. The study underscores the need for equitable pricing mechanisms and informed consumer advocacy to rectify the economic disparities exacerbated by the Pink Tax.

pink tax

gender-based pricing

economic disparity

gendered marketing

The Pink Tax has plagued many sectors within companies for decades <sup>[1]</sup>. It refers to gender-based pricing, where products and services targeted at women are priced higher than similar products marketed to men <sup>[2]</sup>. Relevant studies and articles will be utilised to highlight gaps in existing research, aiming to raise awareness of the implications arising from the Pink Tax due to marketing and management practices, with a particular focus on a company of choice.

Moshary and Tuchman <sup>[3]</sup> describe the Pink Tax as a commonly observed phenomenon where products marketed to women tend to be priced higher than comparable products marketed to men. Many studies have documented gender-based pricing across various industries, but this entry will specifically focus on the personal care industry. The products most subjected to the Pink Tax within this industry are razors, shampoo, and deodorant—essential products both genders use. The price disparity becomes more noticeable when these products are subjected to the Pink Tax.

Bhargava and Tara <sup>[4]</sup> illustrate the higher prices of women’s products in a study that surveyed five categories of products, showing that the overall average price increase for women is 7%. The category with the most significant variation was personal care products. This indicates how companies have moulded society to accept these price increases without question, especially for necessary or socially mandated products, such as razors.

The Pink Tax is prevalent across various sectors through gendered marketing. Corporations have conveniently maximised profits from a segment of their customers without publicly acknowledging this discrimination. Women’s buying power is negatively affected as the Pink Tax burdens them with additional expenses for non-negotiable

items. Heavy marketing towards women makes these items seem necessary, resulting in women incurring higher costs than their male counterparts who buy similar, if not identical, products with different packaging and branding.

Companies like Unilever’s marketing and packaging strategies contribute significantly to the persistence of gender price disparity [5]. Like many other corporations, Unilever uses specific demographic and gender-targeted techniques, leading to price discrepancies that become normalised. Unfortunately, the Pink Tax extends beyond these companies, as societal ideologies and the culture of mass consumption, combined with pressures of beauty standards and perceptions of femininity, perpetuate the Pink Tax cycle.

This paper seeks to contribute to the ongoing discourse on gender equality in the marketplace by advocating for more equitable pricing mechanisms and raising awareness of the economic challenges posed by the Pink Tax. By focusing on Unilever, the study provides a concrete example of how multinational corporations can influence gender-based pricing and offers insights into potential strategies for mitigating these effects.

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## References

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