LUMS | Chaudhry Nazar Muhammad Department of Economics

PRICE AND PREJUDICE:

UNDERSTANDING GENDER DISCRIMINATION IN ONLINE MARKETPLACES

Policy Brief: October 2026

This policy brief is based on a research study that has investigated gender discrimination in an online marketplace setting in Pakistan. The study finds neither price nor product quality discrimination between male and female buyers, but strong evidence of unsolicited contact from male sellers towards female buyers. This raises an important question: if online platforms eliminate price penalties but expose women to unwanted advances, then access is not the same as inclusion, and these non-economic costs of participation may still suppress women's engagement. Digital inclusion policy must therefore move beyond getting women online, toward ensuring that they can participate safely, privately, and on equal terms.

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Introduction and Background

Digital marketplaces are generally regarded as reducing some of the barriers that inhibit women from participating in economic activity. As these marketplaces facilitate transactions without a dire or persistent need for physical mobility or face-to-face contact, they hold special appeal in the literature for women in conservative and patriarchal settings. However, even with persistent gender inequality and abuse in Pakistan, there is little empirical evidence on the role of online marketplaces in addressing gender discrimination. This policy brief is based on research that attempts to understand how online marketplaces fare for women buyers, and in doing so, provides certain strong policy implications.

Research Question and Design

The research essentially asks whether online platforms actually reduce gender discrimination for buyers, or whether discrimination shifts subtly in form: from prices to less visible, often non-economic domains. Some salient features of the research design are as follows:

01 A well-powered field experiment was conducted on Facebook Marketplace in Pakistan for about seven and a half months in 2022, using fictitious buyer profiles that clearly signaled gender while withholding caste, ethnicity, or other economic markers.

02 Active sellers and most frequently listed product categories were included. To study how sellers treat male and female buyers, each seller was contacted twice. Once, by a male profile and once by a female profile, using entirely different names to avoid suspicion.

03 Bargaining followed predetermined scripts that opened with a price request, then requested a discount without a counteroffer, exhausting the negotiation before any order was placed.

04 After delivery, the research team downloaded all conversations with each seller across Facebook, WhatsApp, and text, recorded the entire call log history, and inspected every item thoroughly to detect quality differences.

05 The study employed a within-subjects design. The final sample comprised 1,064 bargaining attempts with 532 sellers, of which 446 ended in agreement on a final price for both genders, and 321 reached delivery.

06 Analysis used econometric modeling as well as LLM-based natural language processing of seller messages.

[1] with nearly one-third experiencing some form of abuse

Findings

1. No economic discrimination

The authors find no evidence of discrimination in prices or product quality. Prices were statistically indistinguishable between male and female buyers at every stage of bargaining, including the first quote, subsequent quotes, the final agreed price, and the price including delivery charges.

Roughly 90 percent of matched pairs received identical goods, and where discrepancies occurred, both genders were equally likely to receive the higher-quality item.

2. Non-economic discrimination

Female buyers faced dramatically higher rates of unsolicited contact after transacting.

- They were **10.79** times more likely to receive phone calls
- **9.22** times more likely to receive text messages,
- **4.00** times more likely to receive Facebook messages,
- **10.81** times more likely to receive WhatsApp messages,
- **3.33** times more likely to receive WhatsApp calls[2].



01

Every male buyer received zero friend requests; all requests went to female buyers.



02



Sellers were also significantly more verbose with female buyers, writing more words per message, an effect driven primarily by male sellers, and were rated as relatively more enthusiastic toward women.

Since the buyer profiles revealed almost nothing beyond a clearly signaling gendered name, the authors interpret the effects as a lower bound on harassment, suggesting that the incidence of harassment may be far higher in an uncontrolled environment where photographs or marital status (such as “single”) are visible.

The findings are directly linked with a very concerning reality of the deep-rooted, patriarchal setup in Pakistan: Unsolicited phone calls, messages, and friend requests are viewed with deep suspicion, particularly by male kin, and have been documented to lead to domestic issues, including violence.

[2] All results are statistically significant at the 1 percent level.

Policy Implications

The policy implications broadly address the conceptualization of digital inclusion, platform design, and the scope of digital economy policy, along with the social norms that sustain harassment.

01

Is price parity the same as digital inclusion?

The finding that economic discrimination is absent while harassment is pervasive suggests that platform "inclusion" metrics based on price parity may miss the main constraint women face. Platforms should measure and report harassment incidents as a core access indicator.

02

Platform Design

Platforms should minimize the disclosure of personal contact information and keep buyer–seller interactions within protected platform channels wherever possible. Because transactions can expose contact details, channeling all communication through in-platform, masked-identity messaging and voice tools rather than exposing phone numbers is a direct, design-level policy lesson. Proactive detection, rate limiting of repeated contact attempts, and swift enforcement are needed in platform design. Blocking alone places the burden on women after unwanted contact has already occurred.

03

Beyond Platform Design: Norms and Contact

The design measures above, such as masked contact details, limits on repeated contact, and penalties for sellers who misbehave, are best seen as a short-run bridge that raises the cost of harassment without keeping women out of the market. Measures that separate or conceal women, including women-only spaces, carry a longer-run risk: where segregation is the norm, women who enter mixed spaces can be seen as more open to advances[3].

Evidence from South Asia and elsewhere shows that cooperative contact between men and women, exposure to women in visible roles, and school-based programs for adolescents can durably shift gender attitudes[4]. Because much of the cost women bear comes from how male relatives react to unsolicited contact, changing household beliefs deserves attention alongside platform design.

[3] Kondylis, F., Legovini, A., Vyborny, K., Zwager, A., and Andrade, L. (2025), "Demand for 'Safe Space': Avoiding Harassment and Complying with Norms," Journal of Development Economics 174: 103392.
On Rio de Janeiro's commuter rail, over half of men and women commuters associated women riding in mixed carriages with greater openness to sexual advances. The study finds no evidence that the women-only carriages increased harassment in mixed carriages; the risk it documents lies in the norms that segregation sustains.

[4] See Lowe, M. (2021), "Types of Contact: A Field Experiment on Collaborative and Adversarial Caste Integration," American Economic Review 111(6): 1807-1844; Beaman, L., Chattopadhyay, R., Duflo, E., Pande, R., and Topalova, P. (2009), "Powerful Women: Does Exposure Reduce Bias?" Quarterly Journal of Economics 124(4): 1497-1540; and Dhar, D., Jain, T., and Jayachandran, S. (2022), "Reshaping Adolescents' Gender Attitudes: Evidence from a School-Based Experiment in India," American Economic Review 112(3): 899-927.

04

Digital Economy Policy

The risks of unsolicited contacts or harassment should not be treated as an ancillary "online safety" issue, separate from economic inclusion. In contexts where unsolicited interactions can impose substantial social costs on women, reporting systems, enforcement mechanisms, and platform accountability should be part of policies intended to expand women's participation in digital markets.

The importance of women-only spaces:

The burden of these interactions has been cited as a primary reason for the creation of women-only groups on platforms like Facebook, which aim to provide safer spaces for women. Platforms should study, support, and safeguard such spaces as an interim measure, while recognizing the longer-run risks discussed here.

Future Research Direction

The findings of the research have also identified key open questions: how unsolicited communication affects women's trust in digital platforms, their willingness to transact, and their mental well-being. Moreover, whether discrimination differs in high-value transactions such as cars or real estate, whether adding photographs or other profile details amplifies or mitigates biases, and what challenges women *entrepreneurs* face on the supply side provide excellent directions for future research.





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Asad, S. A., Ahmad, H. F., & Majid, H. (2025). Price and prejudice: Gender discrimination in online marketplaces. *Journal of Development Economics*, 177, 103540.
https://doi.org/10.1016/j.jdeveco.2025.103540